

ILLINOIS REGISTER

ILLINOIS DEPARTMENT OF AGRICULTURE

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TITLE 8: AGRICULTURE AND ANIMALS

CHAPTER I: ILLINOIS DEPARTMENT OF AGRICULTURE

SUBCHAPTER v: LICENSING AND REGULATIONS

PART 1000

COMPASSIONATE USE OF MEDICAL CANNABIS PILOT PROGRAM

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AUTHORITY: Implementing and authorized by Compassionate Use of Medical Cannabis Pilot Program Act, P.A. 98-0122.

SOURCE: Adopted at 38 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL PROVISIONS

SECTION 1000.10 Definitions and Incorporations

- a) Definitions for this Part can be located in Section 10 of the Compassionate Use of Medical Cannabis Pilot Program Act [410 ILCS 130/10]. The following definitions shall also apply to these rules:

“Act” means The Compassionate Use of Medical Cannabis Pilot Program Act. [410 ILCS 130];

"Adequate supply" means:

- 1) 2.5 ounces of usable cannabis during a period of 14 days and that is derived solely from an intrastate source.*
- 2) Subject to the rules of the Department of Public Health, a patient may apply for a waiver where a physician provides a substantial medical basis in a signed, written statement asserting that, based on the patient's medical history, in the physician's professional judgment, 2.5 ounces is an insufficient adequate supply for a 14-day period to properly alleviate the patient's debilitating medical condition or symptoms associated with the debilitating medical condition.*
- 3) This subsection may not be construed to authorize the possession of more than 2.5 ounces at any time without authority from the Department of Public Health.*
- 4) The pre-mixed weight of medical cannabis used in making a cannabis infused product shall apply toward the limit on the total amount of medical cannabis a registered qualifying patient may possess at any one time. [410 ILCS 130/10(a)];*

“Applicant” means any corporation, limited liability company, association or partnership, or one or more individuals, agency, business trust, estate, trust, or any other legal entity which is applying with the Illinois Department of Agriculture for a cultivation center permit under the Compassionate Use of Medical Cannabis Pilot Program Act;

“Batch” means a specific harvest of cannabis or cannabis-infused products that are identifiable by a batch number, every portion or package of which is uniform within recognized tolerances for the factors that were subject to a laboratory test and that appear in the labeling;

"Cannabis" means marijuana, hashish and other substances which are identified as including any parts of the plant Cannabis Sativa and including any and all derivatives or subspecies, such as Indica, of all strains of cannabis, whether growing or not; the seeds thereof, the resin extracted from any part of such plant; and any compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resin, including tetrahydrocannabinol

(THC) and all other cannabinol derivatives, including its naturally occurring or synthetically produced ingredients, whether produced directly or indirectly by extraction, or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis; but shall not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil or cake, or the sterilized seed of such plant which is incapable of germination. (Section 3 of the Cannabis Control Act);

"Cannabis plant monitoring system" means a system that includes, but is not limited to, testing and data collection established and maintained by the registered cultivation center and available to the Department for the purposes of documenting each cannabis plant and for monitoring plant development throughout the life cycle of a cannabis plant cultivated for the intended use by a qualifying patient from seed planting to final packaging. [410 ILCS 130/10(c)];

“Cannabis product” means a product containing medical cannabis either in a physical form or infused with an extracted resin.

“Child-Resistant” means special packaging that is:

- 1) Designed or constructed to be significantly difficult for children under five years of age to open and not difficult for normal adults to use properly as defined by 16 C.F.R. 1700.20 (1995) and ASTM classification standard D3475-12, <http://www.astm.org/Standards/D3475.htm>. Note that this rule does not include any later amendments or editions to the Code of Federal Regulations or the ASTM classification standards. The Division has maintained a copy of the applicable federal regulation and ASTM classification standard, which are available to the public;
- 2) Closable for any product intended for more than a single use or containing multiple servings; and
- 3) Labeled properly as required by Section 1000.110;

"Clone" means a plant section from a female cannabis plant not yet root-bound, growing in a water solution, which is capable of developing into a new plant;

“Crop Input” means any substance that is used by a producer for the production of medical cannabis. This may include pesticides as defined pursuant to the Illinois Pesticide Act or the American Association of Pesticide Control Officials, fertilizers as defined pursuant to the Illinois Commercial Fertilizer Act of 1961 or the American Association of Plant Food Officials and soil amendments as defined by the Soil Amendment Act;

"Cultivation center" means a facility operated by an organization or business that is registered by the Department of Agriculture to perform necessary activities to provide only registered medical cannabis dispensing organizations with usable medical cannabis. [410

ILCS 130/10(e)];

"Cultivation center agent" means a principal officer, board member, employee, or agent of a registered cultivation center who is 21 years of age or older and has not been convicted of an excluded offense. [410 ILCS 130/10(f)];

“Cultivation center agent- in- charge” or “agent- in- charge” means the cultivation center agent who has been designated by the cultivation center to have control and management over the day to day operations of the cultivation center. A cultivation center may designate more than one agent- in- charge to cover varying operational work shifts, but may only have one per work shift.

"Cultivation center agent identification card" means a document issued by the Department of Agriculture that identifies a person as a cultivation center agent. [410 ILCS 130/10(g)];

“Cultivation center agent-in-charge identification card” means a document issued by the Department of Agriculture that identifies a cultivation center agent as an agent-in-charge.

“Department” shall refer to the Illinois Department of Agriculture;

“Disqualifying Conviction” means conviction of an excluded offense;

"Enclosed, locked facility" means a room, greenhouse, building, or other enclosed area equipped with locks or other security devices that permit access only by a cultivation center's agents or a dispensing organization's agent working for the registered cultivation center or the registered dispensing organization to cultivate, store, and distribute cannabis for registered qualifying patients. [410 ILCS 130/10(k)];

"Excluded offense" means:

- 1) a violent crime defined in Section 3 of the Rights of Crime Victims and Witnesses Act or a substantially similar offense that was classified as a felony in the jurisdiction where the person was convicted; or*
- 2) a violation of a state or federal controlled substance law that was classified as a felony in the jurisdiction where the person was convicted, except that the registering Department may waive this restriction if the person demonstrates to the registering Department's satisfaction that his or her conviction was for the possession, cultivation, transfer, or delivery of a reasonable amount of cannabis intended for medical use. This exception does not apply if the conviction was under state law and involved a violation of an existing medical cannabis law. [410 ILCS 130/10(l)];*

“Facility” shall refer to the permitted physical structure(s) associated with the cultivation center;

"Fingerprint-based criminal history records check" means a fingerprint-based criminal

history records check conducted by the Department of State Police in accordance with the Uniform Conviction Information Act (UCIA) or Title 20, Section 1265.30 of the Illinois Administrative Code, Electronic Transmission of Fingerprint Requirements;

“Flower” means the gametophytic or reproductive state of *Cannabis* in which the plant is in a light cycle intended to produce flowers, trichomes, and cannabinoids characteristic of cannabis;

"Immature plant" means a nonflowering Cannabis or Cannabis plant that is no taller than eight inches and no wider than eight inches produced from a cutting, clipping, or seedling and that is in a growing/cultivating container that is no larger than two inches wide and two inches tall that is sealed on the sides and bottom;

“ISP” means the Illinois Department of State Police;

“Label” means a display of written, printed or graphic matter upon the immediate container of any product containing cannabis;

“Laboratory” means an independent laboratory located in Illinois and approved by the Department to have custody of controlled substances and the use of controlled substances for scientific and medical purposes and for purposes of instruction, research or analysis;

"Livescan" means an inkless electronic system designed to capture an individual's fingerprint images and demographic data (name, sex, race, date of birth, etc.) in a digitized format that can be transmitted to the state central repository (Illinois State Police) for processing. The data is forwarded to the Illinois State Police (ISP), Bureau of Identification (BOI) over a Virtual Private Network (VPN) and then processed by the ISP's Automated Fingerprint Identification System (AFIS). Once received at the BOI for processing, the inquiry may then be forwarded to the Federal Bureau of Investigation (FBI) electronically for processing as permitted by law;

"Livescan vendor" means an entity licensed by the Department of Financial and Professional Regulation to provide commercial fingerprinting services under the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004;

“Medical cannabis” means cannabis and its constituent cannabinoids, such as tetrahydrocannabinol (THC) and cannabidiol (CBD), used as an herbal remedy or therapy to treat disease or alleviate symptoms. Medical cannabis can be administered by a variety of routes, including, but not limited to: vaporizing or smoking dried buds; administering tinctures or tonics; applying topicals such as ointments or balms; consuming infused food products, soda or teas; or taking capsules;

"Medical cannabis cultivation center registration" means a registration issued by the Department of Agriculture. [410 ILCS 130/10(m)];

"Medical cannabis container" means a sealed, traceable, food compliant, tamper resistant,

tamper evident container, or package used for the purpose of containment of medical cannabis from a cultivation center to a dispensing organization. [410 ILCS 130/10(n)];

"Medical cannabis dispensing organization", or "dispensing organization", or "dispensary organization" or "dispensary" means a facility operated by an organization or business that is registered by the Department of Financial and Professional Regulation to acquire medical cannabis from a registered cultivation center for the purpose of dispensing cannabis, paraphernalia, or related supplies and educational materials to registered qualifying patients. [410 ILCS 130/10(o)];

"Medical cannabis dispensing organization agent" or "dispensing organization agent" means a principal officer, board member, employee, or agent of a registered medical cannabis dispensing organization who is 21 years of age or older and has not been convicted of an excluded offense. [410 ILCS 130/10(p)];

"Medical cannabis infused product" means food, oils, ointments, or other products containing usable cannabis that are not smoked. [410 ILCS 130/10(q)] Only the portion of any cannabis-infused product that is attributable to cannabis shall count toward the possession limits of the dispensary and the patient;

"Medical use" means the acquisition; administration; delivery; possession; transfer; transportation; or use of cannabis to treat or alleviate a registered qualifying patient's debilitating medical condition or symptoms associated with the patient's debilitating medical condition. [410 ILCS 130/10(r)];

"Modification" means changes in structures, processes or activities at a cultivation center that will alter the efficiency of production structures, processing systems, and/or changes in capacity within the Center;

"Monitoring" means the continuous and uninterrupted video surveillance of cultivation activities and oversight for potential suspicious actions. Monitoring through video surveillance includes the purpose of summoning a law enforcement officer to the premises during alarm conditions. The Department and law enforcement agencies shall have the ability to access a cultivation center's monitoring system in real-time via a secure web-based portal;

"Operational and Management Practices Plan" means a narrative description of all practices that will be employed at the facility for the cultivation, harvesting and processing of medical cannabis and medical cannabis infused products. The plan shall include but is not limited to the following:

- 1) The types and quantities of medical cannabis products that will be produced at the facility;*
- 2) The methods of planting (seed or clones), harvesting, drying and storage of medical cannabis;*

- 3) The estimated quantity of waste material to be generated and plans for subsequent disposal;
- 4) The quantity and proposed method for disposal for all crop inputs utilized for plant production;
- 5) Methods for training employees for the specific phases of production.
- 6) Bio-security measures to be implemented for plant production and edible infused product production;
- 7) Planned response to discrepancies in accounting of product inventories; and
- 8) Sampling strategy and quality testing for labeling purposes.

"Physician" means a doctor of medicine or doctor of osteopathy licensed under the Medical Practice Act of 1987 to practice medicine and who has a controlled substances license under Article III of the Illinois Controlled Substances Act. It does not include a licensed practitioner under any other Act including but not limited to the Illinois Dental Practice Act. [410 ILCS 130/10(s)];

“Producer backer” means any person (including any legal entity) with a direct or indirect financial interest in the applicant;

"Production" or “produce” means the manufacture, planting, preparation, cultivation, growing, harvesting, propagation, compounding, conversion or processing of cannabis, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container;

“Qualified applicant” means an applicant for a cultivation center permit who receives at least the minimum required score in each category required by the application;

"Qualifying patient" means a person who has been diagnosed by a physician as having a debilitating medical condition. [410 ILCS 130/10(t)];

"Registered" means licensed, permitted, or otherwise certified by the Department of Agriculture under the Act. [410 ILCS 130/10(u)];

"Restricted Access Area" means a building, room, or other contiguous area upon the permitted premises where cannabis is grown, cultivated, harvested, stored, weighed, packaged, sold, or processed for sale, under control of the permitted facility;

"Sale" means any form of delivery, which includes barter, exchange or gift, or offer

therefore, and each such transaction made by any person whether as principal, proprietor, agent, servant or employee;

“Security Alarm System” means a device or series of devices, intended to summon law enforcement personnel during, or as a result of, an alarm condition. Devices may include hard-wired systems and systems interconnected with a radio frequency method such as cellular or private radio signals that emit or transmit a remote or local audible, visual, or electronic signal; motion detectors, pressure switches, duress alarms (a silent system signal generated by the entry of a designated code into the arming station to indicate that the user is disarming under duress); panic alarms (an audible system signal to indicate an emergency situation); and hold-up alarms (a silent system signal to indicate that a robbery is in progress). The Department and law enforcement agencies shall have the ability to access a cultivation center’s Security Alarm System in real-time;

"THC" means tetrahydrocannabinol;

"THCA" means tetrahydrocannabinolic acid;

"Usable cannabis" means the seeds, leaves, buds, and flowers of the cannabis plant, and any mixture or preparation thereof, including the resin extracted from any part of such plant, but does not include the stalks, and roots of the plant. It does not include the weight of any non-cannabis ingredients combined with cannabis, such as ingredients added to prepare a topical administration, food, or drink. [410 ILCS 130/10(w)];

"Verification system" means a Web-based system established and maintained by the Department of Public Health that is available to the Department of Agriculture, the Department of Financial and Professional Regulation, law enforcement personnel, and registered medical cannabis dispensing organization agents on a 24-hour basis for the verification of registry identification cards, the tracking of delivery of medical cannabis to medical cannabis dispensing organizations, and the tracking of the date of sale, amount, and price of medical cannabis purchased by a registered qualifying patient. [410 ILCS 130/10(x)];

"Violent Crime" means any felony in which force or threat of force was used against the victim, or any offense involving sexual exploitation, sexual conduct or sexual penetration, or a violation of Section 11-20.1, 11-20.1B, or 11-20.3 of the Criminal Code of 1961 or the Criminal Code of 2012, domestic battery, violation of an order of protection, stalking, or any misdemeanor which results in death or great bodily harm to the victim or any violation of Section 9-3 of the Criminal Code of 1961 or the Criminal Code of 2012, or Section 11-501 of the Illinois Vehicle Code, or a similar provision of a local ordinance, if the violation resulted in personal injury or death, and includes any action committed by a juvenile that would be a violent crime if committed by an adult. For the purposes of this paragraph, "personal injury" shall include any Type A injury as indicated on the traffic accident report completed by a law enforcement officer that requires immediate professional attention in either a doctor's office or medical facility. A type A injury shall include severely bleeding wounds, distorted extremities, and injuries that require the injured party to be carried from the scene; or a

substantially similar offense that was tried and convicted as a felony in the jurisdiction where the cultivation center agent, agent-in-charge, or applicant for a cultivation center agent or agent-in-charge identification card was convicted. [725 ILCS 120/3(c)]

- b) Incorporations by reference in this Part do not include any later amendments or editions beyond the date specified.

SECTION 1000.15 Referenced Materials

- a) The following federal statutes are referenced in this Part:
 - 1) Federal Food, Drug, and Cosmetic Act (21 USCA 301)
 - 2) Federal Fair Packaging and Labeling Act (15 USCA 1451)
 - 3) Tolerances and Exemptions for Pesticide Chemical Residues in Food (40 CFR 180)
- b) The following Illinois statutes are referenced in this Part:
 - 1) Compassionate Use of Medical Cannabis Pilot Program Act [410 ILCS 130]
 - 2) Administrative Review Law (Article III of the Code of Civil Procedure) [735 ILCS 5/Art. III]
 - 3) Cannabis Control Act [720 ILCS 550]
 - 4) Controlled Substances Act [720 ILCS 570]
 - 5) Food, Drug and Cosmetic Act [410 ILCS 620]
 - 6) Food Handling Regulation Enforcement Act [410 ILCS 625]
 - 7) Sanitary Food Preparation Act [410 ILCS 650]
 - 8) Uniform Conviction Information Act [20 ILCS 2635]
 - 9) Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004 [225 ILCS 447]
 - 10) Illinois Vehicle Code [625 ILCS 5]
 - 11) Criminal Code of 2012 [720 ILCS 5]
 - 12) Rights of Crime Victims and Witnesses Act [725 ILCS 120]
 - 13) Code of Civil Procedure [735 ILCS 5]
 - 14) Probate Act of 1975 [755 ILCS 5]
 - 15) The Illinois Environmental Protection Act [415 ILCS 5] and associated administrative rules.

- c) The following State administrative rules are referenced in this Part:
- 1) The Illinois Food, Drug and Cosmetic Act (77 Ill. Adm. Code 720)
 - 2) Manufacturing, Processing, Packing or Holding of Food Code (77 Ill. Adm. Code 730)
 - 3) Food Service Sanitation Code (77 Ill. Adm. Code 750)
 - 4) Title 20, Section 1265.30 of Electronic Transmission of Fingerprint Requirements
 - 5) Illinois Environmental Protection Agency Technical Policy Statement (35 Ill. Adm. Code 651 and 653)
 - 6) Illinois Plumbing Code (77 Ill. Adm. Code 890)

Section 1000.20 Scope and Application

It is the duty of the Department to enforce the provisions of the Act relating to the registration and oversight of cultivation centers unless otherwise provided for in the Act. [410 ILCS 130/15(b)]

A cultivation center shall be in compliance with all of this Part prior to the commencement of operational activities and/or storage of medical cannabis.

- A) This Part shall apply to applicants for and holders of a cultivation center permit to propagate, cultivate, harvest, prepare, cure, package, store, and label medical cannabis, whether in concentrated form or otherwise.
- B) **Authorized On-Premises Storage.** A cultivation center is authorized to store cannabis and cannabis-infused products inventory on the permitted premises. All inventory stored on the permitted premises must be secured in a limited access area and tracked consistently with the inventory tracking rules (Section 1000.130).
- C) **Packaging and Labeling Standards Required.** A cultivation center is prohibited from selling cannabis that is not packaged and labeled in accordance with these rules. See Section 1000.110.
- D) **Sale to Consumer Prohibited.** A cultivation center is prohibited from selling cannabis or any cannabis-infused product directly to a consumer.
- E) **Consumption Prohibited.** A cultivation center shall not permit the consumption of cannabis or cannabis-infused products on its permitted premises.
- F) *The Department shall enter into intergovernmental agreements, as necessary, to carry out the provisions of this Act including, but not limited to, the provisions relating to the permitting and oversight of cultivation centers, dispensing organizations, and qualifying patients and caregivers. (Section 15 of the Act)*

Section 1000.25 Operation of a Cultivation Center

- a) Only a cultivation center that has been issued a permit by the Department under the provisions of the Act and these rules shall own and operate a cultivation center facility.
- b) A cultivation center, including each principal officer, board member, agent, and employee shall not:
 - 1) produce or manufacture cannabis in any place except in those areas designated in the permit;
 - 2) sell, deliver, transport or distribute cannabis from any place except its permitted cultivation facility;
 - 3) produce or manufacture cannabis for use outside of Illinois;
 - 4) sell, deliver, transport or distribute cannabis to any place except a dispensary facility licensed or registered with the Illinois Department of Financial and Professional Regulation;
 - 5) enter into an exclusive agreement with any dispensary facility;
 - 6) refuse to conduct business with any dispensary facility that has the financial ability to pay for the medical cannabis and is licensed with the Illinois Department of Financial and Professional Regulation on the same terms and conditions as other dispensary facilities with whom the cultivation center is dealing;
 - 7) either directly or indirectly discriminate in price between different dispensary facilities that are purchasing a like grade, strain, brand, and quality of cannabis or cannabis-infused product, provided nothing herein shall prevent differentials which only make due allowance for differences in the cost of manufacture, sale or delivery resulting from the differing methods or quantities in which such cannabis or cannabis-infused products are sold or delivered to such dispensary facilities;
 - 8) accept, solicit, or offer any form of remuneration from or to a physician;
 - 9) allow a physician to conduct a personal physical examination of a patient for purposes of diagnosing a debilitating medical condition at the permitted location;
 - 10) allow a physician to hold a direct or indirect economic interest in the cultivation center if the physician recommends the use of medical cannabis to qualified patients or is in a partnership or other fee or profit-sharing relationship with a physician who recommends medical cannabis;

- 11) allow a physician who certifies or intends to certify a debilitating medical condition for a qualifying patient to serve on the board of directors or as an employee of the cultivation center;
 - 12) accept referral of patients from a physician;
 - 13) allow a physician to advertise at the cultivation center; Or
 - 14) accept any returned product unless it is as a result of a Department approved product recall.
- c) A cultivation center permit shall allow the permittee to operate at a single production facility location.
 - d) A single entity shall not be granted more than three cultivation center permits. If a qualified applicant has been selected for more than three permits, the applicant shall notify the Department within 48 hours of notification on forms provided by the Department which three districts it chooses to receive permits. No person shall be an owner, partner, officer, director, shareholder, or member of more than three permitted cultivation centers. No corporation, limited liability company, or other entity shall be an owner, partner, shareholder, or member of more than three permitted cultivation centers.
 - e) A permitted *cultivation center may not be located within 2,500 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, part day child care facility, or an area zoned for residential use.* (Section 105 of the Act)
 - f) A cultivation center shall provide evidence of financial responsibility which shall be payable to the Department in the event the cultivation center fails to timely and successfully complete the construction of a facility or to continue to operate the cultivation center in a manner that provides an uninterrupted supply of medical cannabis to licensed dispensaries during the term of the permit, sufficient enough to allow the licensed dispensaries to supply their registered qualifying patients with an adequate supply of medical cannabis. Evidence of financial responsibility shall be provided by one of the following:
 - 1) Establishing and maintaining an escrow account in a chartered financial institution in Illinois in the amount of two million dollars (\$2,000,000); or
 - 2) Providing a surety bond naming the cultivation center as principal of the bond, upon terms approved by the Department, in the amount of two million dollars (\$2,000,000).

Section 1000.30 Permits – General Provisions

- a) A cultivation center permit issued under these rules is the property of the State of Illinois and shall be surrendered upon demand of the Department.
- b) As part of the permit process, all applicants for a cultivation center permit shall sign a written statement certifying that:
 - 1) All of the information provided on the application is true and accurate to the best of the applicant's knowledge.
 - 2) The applicant understands that the medical cannabis laws and enforcement of the laws by the State of Illinois and the federal government are subject to change at any time.
 - 3) The applicant understands that the cultivation center permit is not transferable, except as provided in Section 1000.110 of these Rules, and that the permit is the property of the State of Illinois and shall be surrendered upon demand of the Department.
 - 4) The applicant specifically acknowledges receipt and advisement of the notices contained in the application and agrees to and accepts the limitations of liability and the requirement to indemnify, hold harmless and defend the State of Illinois, including:
 - A) Limitation of Liability – the State of Illinois shall not be liable to the permitted cultivation center, the cultivation center's agents, family members or guest(s) for any damage, injury, accident, loss, compensation or claim, based on, arising out of, or resulting from the permitted cultivation center's participation in the Compassionate Use of Medical Cannabis Pilot Program Act, including, but not limited to, the following: arrest, seizure of persons and/or property, prosecution pursuant to State or federal laws by State or federal prosecutors, any fire, robbery, theft, mysterious disappearance or any other casualty; or the actions of any other permittees, registrants or persons. This Limitation of Liability provision shall survive expiration or the early termination of this permit if the permit is granted; and
 - B) Federal Prosecution – the United States Congress has determined that cannabis is a controlled substance and has placed cannabis in Schedule I of the Illinois Controlled Substances Act. Growing, distributing, and possessing cannabis in any capacity, other than as part of a federally authorized research program, is a violation of federal laws. The state of Illinois' Compassionate Use of Medical Cannabis Pilot Program Act does not authorize any registrant to violate federal laws.

- 5) The applicant understands that medical cannabis shall be transported only in a medical cannabis container as defined by this Part.
- 6) The applicant understands that unused medical cannabis shall not be transferred, shared, given, or delivered to any other person regardless of whether they are participating in the Compassionate Use of Medical Cannabis Pilot Program Act.
- 7) The applicant understands that qualifying patients and caregivers shall not grow or cultivate medical cannabis.
- 8) The applicant understands that the Department may deny an application if the documentation is incomplete; or if the Department determines after an inquiry or investigation that the information provided was false, misleading, forged, or altered.

SUBPART B: PERMITS AND PERMIT SELECTION

Section 1000.100 **Permit Application**

- a) A Cultivation Center Permit (“Permit”) shall be obtained for each facility prior to commencement of any production activities.
- b) The Department shall accept applications for cultivation center permits for 30 calendar days after the date indicated on the Department’s website that the Department will be accepting applications.
 - 1) Submissions shall be considered as submitted on the date on which they are postmarked or, if delivered in person during regular business hours, on the date on which they are so delivered.
 - 2) Submissions received after the 30 day period or any way other than required above shall be returned to the applicant.
- c) The permit application shall be submitted on forms and in accordance with the Act, the rules and the instructions provided by the Department on the application. If all materials, documentations, and information required by the Act, the rules, and the application are not submitted, the application shall be denied.
- d) An applicant applying for a cultivation center permit shall submit, in duplicate, the following:
 - 1) *The proposed legal name of the cultivation center (Section 85 of the Act);*
 - 2) *The proposed physical address of the cultivation center and description of the enclosed, locked facility as it applies to cultivation centers where medical cannabis will be grown, harvested, manufactured, packaged, or otherwise prepared for distribution to a dispensing organization (Section 85 of the Act);*
 - 3) *The name, address, and date of birth of each principal officer and board member of the cultivation center, provided that all those individuals shall be at least 21 years of age (Section 85 of the Act);*
 - 4) *Any instance in which a business that any of the prospective board members of the cultivation center had managed or served on the board of the business and was convicted, fined, censured, or had a registration or license suspended or revoked in any administrative or judicial proceeding (Section 85 of the Act);*
 - 5) *Cultivation, inventory, and packaging plans (Section 85 of the Act);*
 - 6) *Proposed operating by-laws (Operation and Management Practices Plan) that*

include procedures for the oversight of the cultivation center, development and implementation of a plant monitoring system, medical cannabis container tracking system, accurate record keeping, staffing plan, and a security plan that the Department will submit for review to the Illinois State Police. A physical inventory shall be performed of all plants and medical cannabis containers on a weekly basis (Section 85 of the Act);

- 7) *Experience with agricultural cultivation techniques and industry standards (Section 85 of the Act), including experience with the cultivation of agricultural or horticultural products, operating an agriculturally related business, or operating a horticultural business;*
- 8) *Any academic degrees, certifications, or relevant experience with related businesses (Section 85 of the Act);*
- 9) *The identity of every person, association, trust, producer backer, partnership, other entity or corporation having any direct or indirect pecuniary interest in the cultivation center operation with respect to which the registration is sought. If the disclosed entity is a trust, the application shall disclose the names and addresses of the beneficiaries (Section 85 of the Act);*
- 10) *If a sole proprietorship, the name, residence, and date of birth of the owner;*
- 11) *If a partnership, the names and addresses of all partners, both general and limited (Section 85 of the Act), and any partnership or joint venture documents;*
- 12) *If a corporation based in Illinois, a copy of the Articles of Incorporation and a proof of good standing issued by the Secretary of State or obtained from the Secretary of State's website within the previous 60 days. If the corporation is a foreign corporation, a copy of the Articles of Incorporation, proof of good standing from the state or country in which the corporation is domiciled, and a current Authority to Transact Business in the State of Illinois from the Illinois Secretary of State. If using an assumed name (d/b/a), a copy of the assumed name registration issued by the Secretary of State. Additionally, applicants shall include the names and addresses of all stockholders and directors of the corporation (Section 85 of the Act).*
- 13) *If a limited liability company, a copy of the Articles of Organization, proof of good standing issued by the Secretary of State or obtained from the Secretary of State's website within the previous 60 days, and a listing of the members of the limited liability company and his, her, or its contact information;*
- 14) *If another type of business entity, the same or similar information, as applicable, to that listed in this subsection;*
- 15) *Verification from the Illinois State Police that all background checks of the*

principal officer, board members, and registered agents have been conducted and those individuals have not been convicted of an excluded offense (Section 85 of the Act);

16) A copy of the current local zoning ordinance to the Department and verification from the local zoning authority that the *proposed cultivation center is in compliance with the local zoning rules issued in accordance with Section 140 of the Act (Section 85 of the Act);*

A) If the property is not owned by the applicant, the applicant shall provide a written statement from the property owner and/or landlord, certifying consent that the applicant may operate a cultivation center on the premises or consent that the applicant will lease or purchase the property for the purpose of operating a cultivation center until at least December 31, 2017.

B) If the property is owned by the applicant, the applicant shall provide confirmation of land ownership.

17) A non-refundable application fee of \$25,000 per application. Each application for a particular District shall be a separate application requiring a separate fee;

18) A location area map of the area surrounding the proposed cultivation center. The map must clearly demonstrate that the proposed cultivation center is *not located within 2,500 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, part day child care facility, or an area zoned for residential use.* (Section 105 of the Act)

19) A plot plan of the cultivation center drawn to a reasonable scale. If the cultivation center building is in existence at the time of the application, the applicant shall submit plans and specifications drawn to scale for the interior of the building. If the building is not in existence at the time of application, the applicant shall submit a plot plan and a detailed drawing to scale of the interior and the architect's drawing of the building to be constructed.

20) Documentation acceptable to the Department that the individual or entity filing the application has at least \$250,000 in liquid assets. Documentation acceptable to the Department includes a signed statement from an Illinois Licensed CPA attesting to proof of \$250,000.00 in liquid assets under the control of an owner or the entity applying. The statement must be dated within 30 calendar days before the date the application was submitted.

21) Projected expenditures expected before the dispensary is operational.

22) Projected annual revenue.

23) Projected annual budget.

e) The applicant shall sign a notarized statement certifying that:

- 1) No prospective principal officer or board member has been convicted of an excluded offense in any state or country,
- 2) The cultivation center has been registered with the Illinois Department of Revenue, and
- 3) The application is complete and accurate.

Section 1000.105 Permits - Selection Criteria

- a) Each application shall address all criteria and measures as set forth in these rules. The failure by an applicant to address all of the required criteria and measures will result in the application being denied.
- b) The required criteria and measures shall include the following:
 - 1) Suitability of the Proposed facility:
 - A) Measure 1: The applicant demonstrates that the proposed facility is suitable for effective and safe cultivation of medical cannabis, sufficient in size, power allocation, air exchange and air flow, interior layout, lighting, and sufficient both in the interior and exterior to handle the bulk agricultural production of medical cannabis, cannabis-infused products, product handling, storage, trimming, packaging and shipping;
 - B) Measure 2: The applicant demonstrates the ability to continue to meet qualifying patient demand by expanding the cultivation facility in a quick and efficient manner with minimal impact on the environment and the surrounding community; and
 - C) Measure 3: The applicant provides an employee handbook which will provide employees with a working guide to the understanding of the day-to-day administration of personnel policies and practices.
 - 2) Proposed Staffing Plan and knowledge of Illinois law and rules relating to medical cannabis:
 - A) Measure 1: The applicant fully describes a staffing plan that will provide and ensure adequate staffing and experience for all accessible business hours, safe growing and cultivation, sanitation, adequate security and theft prevention; and
 - B) Measure 2: The applicant shall provide an Operations and Management Practices Plan that demonstrates compliance with the Department's medical cannabis rules and the Act.
 - 3) Security Plan:
 - A) Measure 1: The applicant's security plan demonstrates its ability to prevent the theft or diversion of medical cannabis and how the plan will assist with ISP, Department, and local law enforcement. Specifically, it shall evidence compliance with all items in Sections 1000.140, 1000.142, and 1000.143 of these rules.

- B) Measure 2: The applicant demonstrates that its plan for record keeping, tracking and monitoring inventory, quality control and security and other policies and procedures will discourage unlawful activity. It also describes the applicant's plan to coordinate with and dispose of unused or surplus medical cannabis with ISP and the Department.
- C) Measure 3: The applicant's security plan shall describe the enclosed, locked facility that will be used to secure or store medical cannabis, its security measures, including when the location is closed for business, and the steps taken to ensure that medical cannabis is not visible to the public.
- D) Measure 4: The applicant shall describe its transportation plan regarding procedures for safely and securely delivering medical cannabis to registered dispensaries.

4) Cultivation Plan:

- A) Measure 1: The applicant shall describe its plan to provide a steady, uninterrupted supply of medical cannabis to registered dispensaries.
- B) Measure 2: The applicant demonstrates knowledge of cultivation methods to be used in the cultivation of cannabis. The applicant shall describe the various strains to be cultivated and its experience with growing those strains.
- C) Measure 3: The applicant demonstrates the steps that will be taken to ensure the quality of the cannabis, including the purity and consistency of the medical cannabis to be provided to dispensaries.

5) Product Safety and Labeling Plan:

- A) Measure 1: The applicant shall describe its plan for providing safe and accurate packaging and labeling of medical cannabis.
- B) Measure 2: The applicant shall describe its plan for testing medical cannabis and ensuring that all medical cannabis is free of contaminants, including but not limited to pesticides, microbiological, and solvent residues. If applicable, the applicant shall provide quality history records showing specific testing results from laboratory testing conducted on the applicant's cannabis products.

6) Applicant's business plan and services to be offered:

- A) Measure 1: The applicant shall provide a business plan that describes how the cultivation center plans to operate on a long-term basis. This shall

include the applicant providing a detailed description about the amount and source of the equity and debt commitment for the proposed cultivation center that demonstrates the immediate and long-term financial feasibility of the proposed financing plan, the relative availability of funds for capital and operating needs, and the financial capability to undertake the project.

- B) Measure 2: The applicant or its officers, board members, or incorporators demonstrates experience in business management and/or having medical industry, agricultural or horticultural experience.
 - C) Measure 3: The business plan demonstrates a start-up timetable which provides an estimated time from permit approval of the cultivation center to full operation, and the assumptions used for the basis of those estimates.
- c) The Department shall award bonus points for preferred but not required initiatives based on the applicant's ability to meet or exceed minimum requirements in the following categories:
- 1) Labor and Employment Practices: The applicant shall describe any plans it has to:
 - A) Provide a safe, healthy and economically beneficial working environment for its employees, including, but not limited to, its plans regarding workplace safety and environmental standards, codes of conduct, healthcare benefits, educational benefits, retirement benefits, and wage standards.
 - B) Recruit and/or hire minorities, women, veterans, and Illinois residents.
 - 2) Research Plan: The applicant shall provide the Department with a detailed proposal to conduct, or facilitate, a scientific study or studies related to the medicinal use of cannabis. To the extent it has been determined, the applicant may include in its proposal, a detailed description of:
 - A) The methodology of the study;
 - B) The issue(s) to be studied;
 - C) The method(s) that will be used to identify and select study participants;
 - D) The identity of all persons or organizations that will be worked with in connection with the study, including the role of each;
 - E) The duration of the study; and
 - F) The intended use of the study results.

- 3) Community Benefits Plan: The applicant shall provide the Department with a detailed description of any plans the applicant has to give back to the local community if awarded a cultivation center permit.
 - 4) Substance Abuse Prevention Plan: The applicant shall provide a detailed description of any plans it will undertake, if awarded a cultivation center permit, to combat substance abuse in Illinois, including the extent to which the applicant will partner, or otherwise work with existing substance abuse programs.
 - 5) Local Community/Neighborhood Report: The applicant shall provide comments, concerns or support regarding the potential impact of the proposed location to the local community and neighborhood. This shall include the local community's concerns or support regarding the proposed location's proximity to substance abuse treatment centers, day care centers, schools and halfway houses.
 - 6) Environmental Plan: The applicant shall demonstrate an environmental plan of action to minimize the carbon footprint, environmental impact, and resource needs for the production of medical cannabis. The applicant shall describe any plans for: (1) the use of alternative energy; (2) the treatment of waste water and runoff; and (3) scrubbing or treatment of exchanged air.
 - 7) Verification of Minority Owned Business, Woman Owned Business or Veteran Owned Business: The Minority, Woman or Veteran applicant must own at least 50 percent of the entity applying for registration. The Minority, Woman or Veteran applicant must also share in control of management and day-to-day operations of the permitted facility.
 - 8) Verification that the applicant's principal place of business is headquartered in Illinois. The names, addresses and verification of the applicant's proposed agents that reside in Illinois. The applicant may also provide a plan for generating Illinois-based jobs and economic development.
- d) Should the applicant be awarded a permit, the information and plan that an applicant provided in its application becomes a mandatory condition of the permit. If a permittee fails to comply with standard and special conditions of the permit, the Department may assess a penalty or seek suspension or revocation of the permit pursuant to Section 1000.500.
 - e) The Department may issue a cultivation center permit with conditions addressing weaker areas of the cultivation center's application that shall be addressed and corrected in the manner and timeframe set forth in the permit.
 - f) There shall not be more than one permit issued per each Illinois State Police District boundary as specified on the date of January 1, 2013. A permit shall be issued to the qualified applicant receiving at least the minimum required score in each category and the highest total score overall as compared to the applicants within the applicable district.

- 1) Since Illinois State Police District Chicago (District C) incorporates ISP Districts 3 and 4, the Department shall issue two separate permits for ISP District C.
- g) In the event that two (2) or more qualified applicants for a cultivation center permit receive the same total score, the Department shall select the applicant that received the highest score in the cultivation plan category. In the event that the same two (2) applicants received the same score in the cultivation plan category, the Department shall select the applicant that received the highest score in the security plan category.
- 1) If a tie score still remains, the tied applicants will be interviewed by an unbiased panel selected by the Department.
- h) In the event that there are no qualified applicants in a particular District, the applicant with the highest total score will meet with an unbiased panel selected by the Department to determine whether the applicant may be able to cure any deficiencies in their application to become qualified. If the applicant is unable to cure the deficiencies, the panel will meet with the applicant with the next highest score to determine whether they may be able to cure any deficiencies in their application to become qualified. If that applicant is unable to cure the deficiencies, and there are no qualified applicants in that particular District, the application process will be reopened. All applicants will be required to submit a new fee and application for that District.

If no qualified applicants are found during the process described above, or if an applicant that is issued a conditional permit fails to fulfill the conditions of the conditional permit, or if no permit is issued or active in a particular District for any other reason, the Department shall announce another period to submit an application for that District. The application period shall be for 30 calendar days from the date specified in the announcement.

SECTION 1000.110 Permit Transferability

- a) A cultivation center permit shall be issued for the specific location identified on the application, and is valid only for the owner, premises, and name designated on the permit and the location for which it is issued. A cultivation center permit is not transferable to a new location without Department approval.
- b) A cultivation center permit shall be issued for the specific individual applicant, partnership or limited liability company applicant, or corporate applicant as identified in the application and shall not be transferable in whole or in part, with the following exception:
 - 1) A cultivation center permit may be transferred, without charge, to the surviving spouse or domestic partner of a deceased permittee if the permit was issued in the names of both of the parties. For the purpose of considering the qualifications of the surviving party to receive a cultivation center permit, the department shall require a criminal background check.
 - 2) A cultivation center permit may be transferred, without charge, to an heir of a deceased permittee other than as provided above, as determined by the Probate Act of 1975 [755 ILCS 5]. For the purpose of considering the qualifications of the heir to receive a cultivation center permit, the Department shall require a criminal background check and the heir will be subject to all other requirements under the Act and these rules.
- c) The proposed sale of any outstanding or issued stock of a corporation permitted under the Act, or any proposed change in the officers of such a corporation, must be reported to the department, and department approval must be obtained before the changes are made. A fee of one thousand dollars (\$1,000) will be charged for the processing of the change of stock ownership or corporate officers.
- d) A cultivation center permit shall not be leased, or subcontracted, in whole or in part.

Section 1000.115 Permit Renewal

- a) Every renewal application for a permit, agent, or agent-in-charge identification card issued pursuant to these rules and accompanied by the proper fee(s) as set forth in Section 1000.38, shall be filed annually with the department at least 45 days prior to the date the existing permit or registration expires.
- b) *The Department shall grant a renewal application within 45 days of its submission if the following conditions are satisfied:*
 - 1) *the registered cultivation center submits a renewal application and the required renewal fee; and*
 - 2) *the Department of Agriculture has not suspended the registration of the cultivation center or suspended or revoked the registration for violation of the Act or rules. (Section 90 of the Act)*
- c) Failure to renew prior to the expiration date of the applicable permit or agent or agent-in-charge identification card shall result in the permit or identification card expiring and being null and void until such time that the renewal application and all applicable fees are submitted and approved by the Department.
- d) If a renewal application and all applicable fees are not submitted to the Department at least thirty (30) calendar days after the expiration of the permit or identification card, such permit or identification card shall not be eligible for renewal, and the applicant shall cease and desist from all production activities.
 - 1) If a permit renewal application and all applicable fees are not submitted to the Department at least thirty (30) calendar days after the expiration of the permit, the Department shall accept applications for cultivation center permits in the applicable State Police District in accordance with Sections 1000.30 and 1000.32.
 - 2) The cultivation center shall dispose of all medical cannabis in its possession in accordance with Section 1000.150.

Section 1000.120 Fees

- a) An applicant shall submit the following fees with each permit and registration application submitted, in the form of a certified check or money order payable to the “Illinois Department of Agriculture,” or by such other means as approved by the Department:
 - 1) The non-refundable application fee for a cultivation center permit shall be twenty-five thousand dollars (\$25,000) for each application submitted. In addition, if an application for a cultivation center permit is approved, the applicant shall pay a fee of two-hundred thousand dollars (\$200,000) for each permit prior to receiving such permit;
 - 2) The fee for each annual renewal of a cultivation center permit shall be one hundred thousand dollars (\$100,000);
 - 3) The non-refundable fee for a cultivation center agent or agent-in-charge identification card and for each renewal shall be one hundred dollars (\$100);
 - 4) The fee for the issuance of a replacement cultivation center agent or agent-in-charge identification card shall be \$50.
 - 5) The non-refundable fee for an application to change a cultivation center name or the change of stock ownership or corporate officers shall be one thousand dollars (\$1,000);
 - 6) The fee for an application to make modifications to a cultivation center shall be five thousand dollars (\$5,000). In addition, upon approval of the application, the applicant shall pay an additional fee of three thousand dollars (\$3,000);
 - 7) The non-refundable fee for an application to make a physical, non-cosmetic alteration of a cultivation center, other than an expansion, shall be one thousand dollars (\$1,000); and
 - 8) The non-refundable fee for a cultivation center to register a cannabis product with the Department shall be one hundred dollars (\$100) per product name.
- b) *All monies collected under the Act shall be deposited in the Compassionate Use of Medical Cannabis Fund in the State treasury. (Section 20 of the Act)*
- c) The Department may, through the administrative rule-making process, propose changes to the fees set forth in this section if the Department deems that such change is necessary to cover costs for implementation, administration, and enforcement of the Act.

Section 1000.125 Modifications and Alterations

- a) A permit shall be amended before the commencement of any modification to the facility. This includes any change that modifies the approved permit design capability of production or process areas including change of capacity, efficiency or process(es).
- b) Before making any modification to a permitted facility, the cultivation center must complete an Application for Permit and Construction Approval and submit the application with the appropriate schedule(s) to the Department.
- c) An amendment to the permit shall not be required for alterations at the facility.

Section 1000.130 Denial of Cultivation Center Application/Suspension or Revocation of Permit

- a) An application for a cultivation center permit must be denied if any of the following conditions are met:
 - 1) the applicant failed to submit the materials required by these rules;
 - 2) the applicant would not be in compliance with local zoning rules issued in accordance with Section 140 of the Act;
 - 3) one or more of the prospective principal officers or board members has been convicted of an excluded offense;
 - 4) one or more of the prospective principal officers or board members has served as a principal officer or board member for a registered dispensing organization or cultivation center that has had its registration revoked or suspended ;
 - 5) one or more of the principal officers or board members is under 21 years of age;
 - 6) a principal officer or board member of the cultivation center has been convicted of a felony under the laws of this State, any other state, or the United States;
 - 7) a principal officer or board member of the cultivation center has been convicted of any violation of Article 28 of the Criminal Code of 2012, or substantially similar laws of any other jurisdiction; or
 - 8) the person has submitted an application for a certificate under the Act and/or these rules which contains false information.
- b) The Department of Agriculture may suspend or revoke a registration for violations of the Act and these rules

SUBPART C: CULTIVATION CENTER REQUIREMENTS

Section 1000.200 Financial Disclosure

- a) When applying for a cultivation center permit, the applicant shall disclose all relevant financial information to the Department. The applicant shall have a continuing duty to disclose promptly any material changes in the financial information provided to the Department. If an applicant is issued a permit, this duty of ongoing disclosure shall continue throughout the permitted period. These disclosures shall include:
 - 1) The ownership structure of the cultivation center;
 - 2) A current organizational chart that includes position descriptions and the names and resumes of persons holding each position to the extent such positions have been filled. To the extent such information is not revealed by their resume, include additional pages with each resume setting out the employee's particular skills, education, experience or significant accomplishments that are relevant to owning or operating a production facility;
 - 3) Documents such as the articles of incorporation, articles of association, charter, by-laws, partnership agreement, agreements between any two or more members of the applicant that relate in any manner to the assets, property or profit of the applicant or any other comparable documents that set forth the legal structure of the applicant or relate to the organization, management or control of the applicant;
 - 4) A copy of all compensation agreements with producer backers, directors, owners, officers, growers, other high-level employees or any other persons required to complete such agreements;
 - 5) A compensation agreement that includes any agreement that provides, or will provide, a benefit to the recipient whether in the form of salary, wages, commissions, fees, stock options, dividends, interest, bonuses or otherwise;
 - 6) The nature, type, terms, covenants and priorities of all outstanding bonds, loans, mortgages, trust deeds, pledges, lines of credit, notes, debentures or other forms of indebtedness issued or executed, or to be issued or executed, in connection with the opening or operating of the proposed production facility;
 - 7) Audited financial statements for the previous fiscal year, which shall include, but not be limited to, an income statement, balance sheet, statement of retained earnings or owners' equity, statement of cash flows, and all notes to such statements and related financial schedules, prepared in accordance with generally accepted accounting principles, along with the accompanying independent auditor's report. If the applicant was formed within the year preceding this application, provide certified financial statements for the period of time the

applicant has been in existence and any pro forma financials used for business planning purposes;

- 8) Complete copies of all federal, state and foreign (with translation) tax returns filed by the applicant for the last three years, or for such period the applicant has filed such returns if less than three years;
 - 9) Complete copies of the most recently filed federal, state and/or foreign (with translation) tax returns filed by each: (i) producer backer; and (ii) each backer member identified in the applicant's application.
- b) The applicant shall disclose all sources of funding used to acquire or develop the business for which the permit is sought, and shall provide independent documentation concerning the source of such funds and copies of closing documents in connection with the purchase of a registered business.
 - c) The applicant shall disclose the estimated full facility cost of the cultivation center.
 - d) The applicant shall disclose whether any principal officer and/or board member has ever:
 - 1) Filed for bankruptcy;
 - 2) Defaulted on a student loan;
 - 3) Defaulted on alimony or child support payment;
 - 4) Disciplined or sanctioned by a State or Federal agency; or
 - 5) Been convicted of an excluded offense.
 - e) The applicant shall disclose whether there are currently or have ever been any state or federal tax liens against the property of the applicant as well as the property of any principal officer and/or board member.

Section 1000.205 Fingerprint-Based Criminal History Records Check

No person who has been convicted of an excluded offense may be a cultivation center agent.
(Section 105 of the Act)

- a) The Illinois State Police shall act as the Department's agent for purposes of receiving electronic fingerprints and conducting background checks of each cultivation center agent applying for a cultivation center agent identification card.
 - 1) The Illinois State Police shall conduct background checks for conviction information contained within the Illinois State Police and Federal Bureau of Identification criminal history databases to the extent allowed by law.
 - 2) For verification of any statutorily imposed duty to conduct background checks pursuant to this act, the Illinois State Police shall transmit the results of the background check to the Department and said transmittal shall conclude the verification process.
 - 3) The electronic background checks shall be submitted as outlined in either Illinois Uniform Conviction Information Act [20 ILCS 2635] or Title 20, Section 1265.30 of Electronic Transmission of Fingerprint Requirements.
 - A) Manual fingerprints will not be accepted.
 - B) Fingerprint images of the individual being fingerprinted, and related alpha numeric identification data submitted to the Illinois State Police for the purpose of this fingerprint based background check, shall be submitted electronically.
 - C) Electronic transmission of fingerprint data to the Illinois State Police shall be accomplished utilizing livescan procedures or other comparable technology approved for use by the Illinois State Police.
 - D) If the fingerprints are rejected by the Illinois State Police, the cultivation center agent shall have his or her fingerprints collected electronically by a livescan fingerprint vendor a second time.
 - E) In the event of equipment malfunction or other special circumstance that makes electronic transmission of fingerprint data impractical, the Illinois State Police may allow limited use of paper fingerprint records.
- b) Each cultivation center agent applying for a cultivation center agent identification card shall have his or her fingerprints collected electronically by a livescan fingerprint vendor which has been licensed by the Illinois Department of Financial and Professional Regulation and transmitted to the Illinois State Police for processing no more than 30

days prior to the date of application or renewal for a cultivation center agent identification card.

- 1) The cultivation center agent shall submit a copy of the livescan request form with the cultivation center agent identification card application or renewal, and receipt provided from the livescan fingerprint vendor containing the Transaction Control Number (TCN), to the Department as proof that his or her fingerprints have been collected.
 - 2) Cultivation center identification card applications submitted without a copy of the livescan request form and receipt will be deemed incomplete and will not be processed until fingerprinting is completed. The fingerprinting process is not completed until the Department receives the results from the ISP.
 - 3) Any fees associated with the livescan fingerprint-based criminal history records check shall be the responsibility of the individual seeking a cultivation center agent identification card and shall be collected by the livescan vendor at the time of fingerprinting and transmitted to the Illinois State Police for deposit in the State Police Services Fund. A convenience fee may be charged by the livescan vendor as provided by Section 31-5 of the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004 [225 ILCS 447/31-5].
- c) The Department shall obtain, from the Illinois State Police, a state and federal criminal records check, to the extent allowed by law, containing conviction information for each cultivation center agent applying for a cultivation center agent identification card.
 - d) The Department will maintain the results of the criminal history records check for the time period associated with the cultivation center agent identification card.
 - e) The Department may deny an application or renewal for a cultivation center agent who has been convicted of an excluded offense.
 - f) If the cultivation center agent has been convicted of any excluded offenses, the Department may approve a cultivation center agent identification card pursuant to this Part if the person demonstrates that his or her conviction was for the possession, cultivation, transfer, or delivery of a reasonable amount cannabis intended for medical use. (Section 10 of the Act) In determining whether to waive a conviction for excluded offenses, the Department shall determine whether the offense consisted of conduct for which, had it occurred on or after January 1, 2014, would likely have been protected by the Act and would likely not have resulted in a conviction.
 - g) Convictions for violations of the medical cannabis laws of Illinois or any other state or jurisdiction shall not be waived by the Department.

Section 1000.210 Cultivation Center Facility Plans and Specifications

- a) Cultivation centers shall:
 - 1) Not be located closer than 1,000 feet to another cultivation center or a medical cannabis dispensary.
 - 2) Not be located closer *than 2,500 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, part day child care facility, or an area zoned for residential use.* [Section 105 of the Act]
 - 3) Not be in violation of any other local zoning requirements.
- b) When applying for a permit, the applicant shall provide engineering plans and specifications of the entire cultivation center. The plans and specifications shall include:
 - 1) A detailed plan and elevation drawings of all operational areas involved with the production of cannabis plants. This should include dimensions and elevation referenced to a single facility benchmark;
 - 2) Cross sections that show the construction details and their dimensions to provide verification of construction materials, enhancement for security measures and bio-security measures;
 - 3) Identification of all employee areas that are non-production areas;
 - 4) The location of all storage areas, ventilation systems, and equipment used for the production of cannabis;
 - 5) The location of all entrances and exits to the cultivation center;
 - 6) The location of any windows, skylights, and roof hatches;
 - 7) The location of all cameras, and their field of view;
 - 8) The location of all alarm inputs (door contacts, motion detectors, duress/hold up devices) and alarm sirens;
 - 9) The location of the digital video recorder and alarm control panel;
 - 10) The location of all restricted and public areas;
 - 11) The location where all plant inputs and application equipment is stored;

12) If applicable, the location of areas designated specifically for the production of cannabis-infused products.

Section 1000.215 Measuring Distances

- a) In establishing the distance between one or more places, (such as the actual distance of a cultivation center from a school or day care center, as defined in the Act), the distance shall be measured linearly and shall be the shortest distance between the closest point of the property lines of the places.
- b) If a boundary line measured by the Department touches upon any portion of a parcel or lot, the parcel or lot shall be within the area being identified by the Department.

Section 1000.220 Failure to Open or Operate

- a) A cultivation center permit shall be surrendered to the Department upon written notice and demand if the cultivation center fails to begin production within six (6) months after the permit has been issued. The cultivation center may submit a written request to the Department for an extension of time setting forth its justification for being unable to begin production within six months after the permit was issued. The Department may grant an extension at its discretion for good cause shown.
- b) A cultivation center permit shall be surrendered to the Department upon written notice and demand if the cultivation center fails to maintain production for any reason for more than ninety (90) consecutive days after it has opened for business.
- c) Upon surrender of its cultivation center permit, the cultivation center shall forfeit its escrow account required by Section 1000.25(f) of these rules.
- d) A cultivation center that has failed to continue to operate the cultivation center in a manner that provides an uninterrupted supply of medical cannabis to licensed dispensaries as provided for in Section 1000.25(f) of these rules shall be notified in writing and given 30 days from the date of notification from the Department to submit a written explanation why it was unable to provide such a supply and how it will correct the situation in the future.
 - 1) If no response is received from the cultivation center or if a response is received after the 30 day period, the permit shall be surrendered and the escrow account required by Section 1000.25(f) forfeited.
 - 2) If a response is received within the 30 day period, the Department shall review said response and either accept it and require the cultivation center to come into compliance or reject it requiring the cultivation center to surrender its permit to the Department and forfeit its escrow account.

Section 1000.225 Cultivation Center Records

- a) Each cultivation center shall keep and maintain upon the permitted premises for a five-year period true, complete, legible, and current books and records, including the following:
 - 1) The date of each sale to a dispensary;
 - 2) The name, address, and registration number of the dispensary;
 - 3) The item number, product name (description), and quantity of cannabis and cannabis-infused products registered by the Department and sold to the dispensary;
 - 4) The price charged and the amount received for the cannabis and cannabis—infused products from the dispensary;
 - 5) The quantity and form of medical cannabis maintained at the cultivation center on a daily basis; and
 - 6) The amount of plants being grown at the cultivation center on a daily basis.
- b) Each cultivation center is responsible for keeping and maintaining records that clearly reflect all financial transactions and the financial condition of the business. The following records must be kept and maintained on the permitted premises for a five-year period and must be made available for inspection if requested by the Department:
 - 1) Purchase invoices and supporting documents, to include the items and/or services purchased, from whom the items were purchased, and the date of purchase;
 - 2) If applicable, bank statements and canceled checks for all accounts relating to the cultivation center;
 - 3) Accounting and tax records related to the cultivation center and each true party of interest;
 - 4) Records of all financial transactions related to the cultivation center, including contracts and/or agreements for services performed or received that relate to the cultivation center;
 - 5) All employee records, to include training, education, discipline, etc.;
 - 6) Soil amendment, fertilizers, or other crop production aids applied to the growing medium, plants or used in the process of growing cannabis;

- 7) Production and processing records, including planting, harvest and curing, weighing, destruction of cannabis, creating batches of cannabis-infused products and packaging into lots and units; disposal of cannabis, cannabis-infused products and waste materials associated with production.
- 8) Records of each batch of extracts or cannabis-infused products made, including at a minimum, the lots of usable cannabis or trim, leaves, and other plant matter used (including the total weight of the base product used), any solvents or other compounds utilized, and the product type and the total weight of the end product produced, such as hash oil, shatter, tincture, infused dairy butter, etc.;
- 9) Transportation records as described in Section 1000.120;
- 10) Inventory records as described in Section 1000.130;
- 11) All samples sent to an independent testing lab and/or the Department's lab and the quality assurance test results;
- 12) All samples provided to anyone or any entity for any purpose;
- 13) Records of any theft of cannabis seedlings, clones, plants, trim or other plant material, extract, cannabis-infused product, or other item containing cannabis.

Section 1000.230 Automated data processing (ADP) and/or point-of-sale (POS) systems

- a) The cultivation center shall keep records within an automated data processing (ADP) and/or point-of-sale (POS) system. The system must include a method for producing legible records that will provide the same information required of that type of record within Section 1000.65. The system must be compatible with the State's system in place at the time.
- b) The ADP and/or POS system is acceptable if it complies with the following guidelines:
 - 1) Provides an audit trail so that details (invoices and vouchers) underlying the summary accounting data may be identified and made available upon request.
 - 2) Provides the opportunity to trace any transaction back to the original source or forward to a final total. If printouts of transactions are not made when they are processed, the system must have the ability to reconstruct these transactions.
 - 3) Has available a full description of the ADP and/or POS portion of the accounting system. This should show the applications being performed, the procedures employed in each application, and the controls used to ensure accurate and reliable processing.
- c) The provisions contained in this section do not eliminate the requirement to maintain source documents.

Section 1000.235 Mandatory Signage

- a) Each permitted cultivation center must post a sign in a conspicuous location at each entrance of the facility that reads, “PERSONS UNDER TWENTY-ONE YEARS OF AGE NOT PERMITTED ON THESE PREMISES.”
- b) Each permitted cultivation center must post a sign in a conspicuous location at each entrance of the facility that reads, “THESE PREMISES ARE UNDER CONSTANT VIDEO SURVEILLANCE.”
- c) A cultivation center agent must keep his or her identification card visible at all times when on the property of a cultivation center and during the transportation of medical cannabis to a registered dispensary organization. During these times, the cultivation center agent must also provide the identification card upon request of any law enforcement officer engaged in their official duties.
- d) Any visitor must keep his or her visitor pass visible at all times when on the property of a cultivation center.

SUBPART D: CULTIVATION CENTER AGENTS/AGENTS-IN-CHARGE

Section 1000.300 Cultivation Center Agents Application; Issuance; Surrender

- a) The cultivation center agent application shall be submitted on forms and in accordance with the Act, the rules and instructions provided by the Department on the application. If all materials, documentations, and information required by the Act, the rules, and the application are not submitted the application will be denied.
- b) Each principal officer, board member, employee, or agent of a registered cultivation center must apply for a cultivation center agent identification card with the department. Along with the application, the applicant shall submit:
 - 1) A copy of the applicant's social security card;
 - 2) A copy of the applicant's valid driver's license;
 - 3) A document verifying the applicant's place of residency, such as a bank statement, cancelled check, insurance policy, etc. The document must contain the applicant's full residence address; and
 - 4) A sworn statement that the applicant has not been convicted of an excluded offense in any jurisdiction.
 - 5) Verification from the Illinois State Police that the applicant's background check has been conducted and that the applicant has not been convicted of an excluded offense.
- c) The Department shall issue each cultivation center agent an identification card that shall expire one year after the date of issuance.
- d) No person shall begin working at a cultivation center prior to receiving their cultivation center agent identification card.
- e) *A cultivation center agent must keep his or her identification card visible at all times when on the property of a cultivation center and during the transportation of medical cannabis to a registered dispensary organization. [Section 100 of the Act];*
- f) Upon termination of employment, the cultivation center agent identification cards shall be immediately returned to the cultivation center. The cultivation center shall promptly return the identification cards to the Department.
- g) Upon conviction of an excluded offense, the principal officer, board member, or registered agent shall immediately notify the Department and shall surrender his or her cultivation center agent card to the Department.

Section 1000.305 Revocation of Agent Identification Card

- a) The Department may revoke a cultivation center agent identification card for any of the following reasons:
 - 1) Submission of misleading, incorrect, false, or fraudulent information in the application or renewal application;
 - 2) Violation or violations of the requirements of the Act or this Part;
 - 3) Fraudulent use of the cultivation center agent identification card;
 - 4) Selling, distributing, transferring in any manner, or giving medical cannabis to any unauthorized person;
 - 5) Tampering with, falsifying, altering, modifying, or duplicating a cultivation center agent identification card;
 - 6) Failure to notify the Department within ten business days after becoming aware that the cultivation center identification card has been lost, stolen or destroyed;
 - 7) Failure to notify the Department within ten business days after a change in the information provided in the application for a cultivation center identification card; or
 - 8) Conviction of an excluded offense following the issuance of a cultivation center identification card.
- b) In addition, each of the following shall be grounds for the revocation of a cultivation center identification card:
 - 1) The cultivation center agent is convicted of a felony drug offense in Illinois or of a like violation of the laws of another state, the United States or a military, territorial, or Indian tribal authority, or another country; or
 - 2) The cultivation center agent is deceased.

Section 1000.310 Cultivation Center Agent- in- Charge

- a) Every cultivation center shall designate, at a minimum, one agent-in-charge. Maintaining an agent-in-charge is a continuing requirement for a valid cultivation center permit.
- b) Every cultivation center agent-in-charge shall have a valid current cultivation center agent identification card issued by the Department as set forth in Section 1000.69 of these Rules, designating that individual as an agent-in-charge. The application for the cultivation center identification card with the agent-in-charge designation shall include authorization from an officer or board member of the cultivation center granting said designation.
- c) The agent-in-charge shall be a full-time officer or employee of the cultivation center and shall participate in cultivation center affairs. Participation in cultivation center affairs includes, but is not limited to, responsibility for the overall operation of the cultivation center. Participation in cultivation center affairs also includes the responsibility of the agent-in-charge for maintaining all files subject to audit or inspection by the Department. These files shall be located within Illinois.
- d) The agent-in-charge is responsible for notifying the Department, on forms provided by the Department, of any change of information required to be reported in any application for registration within 10 work days after the change.
- e) If the cultivation center is a corporation or a limited liability company, the agent-in-charge is responsible for maintaining the good standing of the corporation or limited liability company with the Secretary of State. If the cultivation center is a foreign corporation, the agent-in-charge is responsible for maintaining its authorization to conduct business in Illinois.
- f) In determining whether an agent-in-charge participates in cultivation center affairs, the Department may consider the responsibilities identified in this Section, the number of employees under the direct supervision of the agent-in-charge, and the employment relationship between the agent-in-charge and the cultivation center, including the existence of a contract for employment and any other relevant fact or circumstance.
- g) The agent-in-charge is responsible for notifying the Department, on forms provided by the Department, of a change in the employment status of all cultivation center agents, and the nature and reason for the status change, within 10 work days after the change.
- h) Upon written request by an officer or board member of the cultivation center, within 10 days after the loss of an agent-in-charge due to the death or incapacity of that individual or termination of the employment of that individual, the Department shall

issue a temporary certificate of authority allowing the continuing operation of the cultivation center. No temporary certificate of authority shall be valid for more than 90 days. An extension of an additional 90 days may be granted upon written request by the representative of the cultivation center. Not more than 2 extensions may be granted to any cultivation center. No temporary permit shall be issued for loss of the agent-in-charge because of disciplinary action by the Department related to his or her conduct on behalf of the cultivation center.

- i) The cultivation center agent-in-charge identification card shall expire annually on the date it was issued. The cultivation center shall renew the agent-in-charge identification card annually. The Department shall review the cultivation center's compliance history when determining whether to grant the request to renew.
- j) A cultivation center shall submit a full set of fingerprints in electronic formats as outlined in the Act and this Part with the agent-in-charge's annual identification card renewal

Section 1000.315 Denial or Revocation of Agent-in-Charge Identification Card

The Department may deny or revoke a cultivation center agent-in-charge identification card for any of the reasons for which it can revoke a cultivation center agent identification card set forth in the Act or these rules.

SUBPART E: CULTIVATION CENTER OPERATIONS

Section 1000.400 Production Areas – Plants

- a) Each facility shall develop and maintain an Operations and Management Practices plan for each production area.
- b) Each production area shall maintain an open aisle on all sides of each plant group to allow for unobstructed travel observation, and inventory of each plant group.
- c) Each production area shall be maintained free of debris.
- d) Bio-security measures shall be implemented and maintained at all times.
- e) A written record of all crop inputs shall be maintained for a period no less than five years at the facility. The record shall include the following:
 - 1) The date of application;
 - 2) The name of the individual making the application;
 - 3) The product that was applied;
 - 4) The section, including the square footage, that received the application (by group number);
 - 5) The amount of input that was applied;
 - 6) A copy of the label of the product applied;
- f) Once a root system is visible, all plants shall be accounted for as a group with a unique serial/batch number that shall remain with the group until such time as they are transplanted to a larger grow media or reach 18 inches in height. At that time, the plants shall be tagged with an individual tag that will be recorded electronically (RFID) or kept in an electronic file until harvest or destruction. All plants regardless of accounting strategy shall be physically inventoried on a weekly basis and records of the inventory shall be kept at the facility for a period no less than 5 years.
- g) Any removal of plants from the group shall be recorded on a permanent record and maintained on site.
- h) Upon harvest, all plants shall be assigned a unique number/code that will stay with the harvested product until sale at the dispensary. The code shall be displayed as sub lot/batch code on the approved label of the product designated for consumption by the end user.
- i) All persons working in direct contact with medical cannabis shall conform to hygienic

practices while on duty, including but not limited to the following:

- 1) Litter and waste shall be properly removed and the operating systems for waste disposal shall be maintained in an adequate manner so that they do not constitute a source of contamination in areas where cannabis plants are exposed;
- 2) Floors, walls, and ceilings shall be constructed in such a manner that they may be adequately cleaned and kept clean and kept in good repair;
- 3) There shall be adequate lighting in all areas where medical cannabis is stored and where equipment or utensils are cleaned;
- 4) The permittee shall provide adequate screening or other protection against the entry of pests. Rubbish shall be disposed of so as to minimize the development of odor and minimize the potential for the waste becoming an attractant, harborage, or breeding place for pests;
- 5) Any buildings, fixtures, and other facilities shall be maintained in a sanitary condition;
- 6) Toxic cleaning compounds, sanitizing agents, solvents used in the production of medical cannabis concentrates, and pesticide chemicals shall be identified, held, and stored in a manner that protects against contamination of cannabis, and in a manner that is in accordance with any applicable local, state, or federal law, rule, regulation, or ordinance;
- 7) Only sanitizing agents registered with the Department pursuant to the Illinois Pesticide Act shall be used in cultivation centers, and they shall be used in accordance with labeled instructions;
- 8) The water supply shall be sufficient for the operations intended and shall be derived from a source that is a regulated water system. Private water supplies shall be derived from a water source that is capable of providing a safe, potable, and adequate supply of water to meet the facility's needs pursuant to 8 Illinois Administrative Code 1000.160;
- 9) Plumbing shall be of adequate size and design and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the cultivation center, and it shall properly convey sewage and liquid disposable waste from the facility. There shall be no cross-connections between the potable and waste water lines pursuant to the Illinois Plumbing Code;
- 10) All operations in the receiving, inspecting, transporting, segregating, preparing, manufacturing, packaging, and storing of cannabis or cannabis-infused product shall be conducted in accordance with adequate sanitation principles;

- 11) Medical cannabis that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms.

Section 1000.405 Production Areas – Infused or Processed Products

- a) Any area within the production facility where cannabis will be manufactured into an edible form shall comply with the Illinois Food, Drug and Cosmetic Act [410 ILCS 620], Sanitary Food Preparation Act [410 ILCS 650], and Food Handling Regulation Enforcement Act, [410 ILCS 625].
 - 1) *No cannabis-infused products requiring refrigeration or hot-holding or considered potentially hazardous food (Section 4 of the Food Handling Regulation Enforcement Act) shall be manufactured at a cultivation center for sale or distribution at a dispensing organization due to the potential for food-borne illness. (Section 80 of the Act)*
 - 2) *Cannabis-infused products for sale or distribution at a dispensing organization must be prepared by an approved staff member of a permitted cultivation center.*
 - 3) *A cultivation center that prepares cannabis-infused products for sale or distribution at a dispensing organization shall be under the operational supervision of a certified food service sanitation manager. (Section 80 of the Act)*
- b) The Department of Public Health *may at all times enter every building, room, basement, enclosure, or premises occupied or used or suspected of being occupied or used for the production, preparation, manufacture for sale, storage, sale, distribution or transportation of medical cannabis-infused products, to inspect the premises and all utensils, fixtures, furniture, and machinery used for the preparation of these products. (Section 80 of the Act)*
- c) *If a local health department has a reasonable belief that a cultivation center's cannabis-infused product poses a public health hazard, it may refer the cultivation center to the Department of Public Health for inspection. (Section 80 of the Act)*
- d) General Sanitary Requirements. All areas permitted in the cultivation center for the production of cannabis-infused products shall take all reasonable measures and precautions to ensure the following:
 - 1) That any person who, by medical examination or supervisory observation, is shown to have, or appears to have, an illness, open lesion, including boils, sores, or infected wounds, or any other abnormal source of microbial contamination for whom there is a reasonable possibility of contact with cannabis shall be excluded from any operations which may be expected to result in such contamination until the condition is corrected;
 - 2) That hand-washing facilities are adequate and convenient and are furnished with running water at a suitable temperature. Hand-washing facilities shall be located in the permitted premises and where good sanitary practices require employees to

wash and/or sanitize their hands, and provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices;

- 3) That all persons working in direct contact with cannabis shall conform to hygienic practices while on duty, including but not limited to:
 - A) Maintaining adequate personal cleanliness;
 - B) Washing hands thoroughly in an adequate hand-washing area(s) before starting work and at any other time when the hands may have become soiled or contaminated;
 - C) Refraining from having direct contact with cannabis if the person has or may have an illness, open lesion, including boils, sores, or infected wounds, or any other abnormal source of microbial contamination, until such condition is corrected.
- 4) That litter and waste are properly removed and the operating systems for waste disposal are maintained in an adequate manner so that they do not constitute a source of contamination in areas where cannabis is exposed;
- 5) That floors, walls, and ceilings are constructed in such a manner that they may be adequately cleaned and kept clean and kept in good repair;
- 6) That there is adequate lighting in all areas where cannabis is stored and where equipment or utensils are cleaned;
- 7) That the permittee provides adequate screening or other protection against the entry of pests. Rubbish shall be disposed of so as to minimize the development of odor and minimize the potential for the waste becoming an attractant, harborage, or breeding place for pests;
- 8) That any buildings, fixtures, and other facilities are maintained in a sanitary condition;
- 9) That toxic cleaning compounds, sanitizing agents, solvents used in the production of cannabis concentrates shall be identified, held, and stored in a manner that protects against contamination of cannabis, and in a manner that is in accordance with any applicable local, state, or federal law, rule, regulation, or ordinance;
- 10) That all contact surfaces, including utensils and equipment used for the preparation of cannabis or cannabis-infused product, shall be cleaned and sanitized as frequently as necessary to protect against contamination. Equipment and utensils shall be so designed and of such material and workmanship as to be adequately cleanable, and shall be properly maintained. Only sanitizing agents registered with the Department pursuant to the Illinois Pesticide Act shall be used

in cultivation centers and used in accordance with labeled instructions;

- 11) That the water supply shall be sufficient for the operations intended and shall be derived from a source that is a regulated water system. Private water supplies shall be derived from a water source that is capable of providing a safe, potable, and adequate supply of water to meet the facility's needs;
 - 12) That plumbing shall be of adequate size and design and adequately installed and maintained to carry sufficient quantities of water to the required locations throughout the facility and that shall properly convey sewage and liquid disposable waste from the facility. There shall be no cross-connections between the potable and waste water lines;
 - 13) That all operations in the receiving, inspecting, transporting, segregating, preparing, manufacturing, packaging, and storing of cannabis and cannabis-infused products shall be conducted in accordance with adequate sanitation principles;
 - 14) That each cultivation center shall provide its employees with adequate and readily accessible toilet facilities that are maintained in a sanitary condition and good repair; and
 - 15) That cannabis that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms.
- e) The Department of Public Health will conduct a pre-operational inspection at all registered cultivation centers to determine whether the facilities, methods, practices and controls used in the manufacture, processing, or holding of cannabis-infused products conform to or are operated or administered in conformity with good manufacturing practices to ensure that food products for human consumption are safe and have been prepared, packed and held under sanitary conditions.
 - f) Permitted cultivation centers shall immediately allow the Department of Public Health to inspect the premises and all utensils, fixtures, furniture, machinery and devices used for preparing cannabis-infused products.
 - g) The Department of Public Health will conduct inspections of registered cultivation centers with regard to the manufacture and preparation of cannabis-infused products under the authority of the Illinois Food, Drug and Cosmetic Act and the Food Handling Regulation Enforcement Act and the Food Service Sanitation Code.
 - h) *A cultivation center that prepares cannabis-infused products for sale or distribution at a dispensing organization shall be under the operational supervision of a certified food service sanitation manager.* (Section 80 of the Act) Management responsibilities and supervision shall be in accordance with Sections 730.8000 and 730.8040 of the Manufacturing, Processing, Packing or Holding of Food Code.

Section 1000.410 Cultivation Center Management and Operations

- a) A cultivation center shall:
 - 1) Have storage areas that provide adequate lighting, ventilation, temperature, sanitation, humidity, space, equipment, and security conditions for the production and manufacture of cannabis;
 - 2) Separate for storage, in a quarantined area, cannabis that is outdated, damaged, deteriorated, misbranded, or adulterated, or whose containers or packaging have been opened or breached, until such cannabis is destroyed pursuant to Section 1000.150;
 - 3) Be maintained in a clean and orderly condition;
 - 4) Be free from infestation by insects, rodents, birds, or vermin of any kind;
 - 5) Produce no products other than useable cannabis and cannabis-infused products intended for human consumption.
- b) All areas in the cultivation center shall be compartmentalized based on function and access shall be restricted between compartments. The facility shall establish, maintain and comply with written policies and procedures provided in the Operational and Management Practice Plan, approved by the Department, regarding best practices for secure and proper production and manufacturing of cannabis. These shall include, but not be limited to, policies and procedures that:
 - 1) Restrict movement between production compartments;
 - 2) ensure that only personnel necessary for a production function have access to that compartment of the production facility; and
 - 3) Document the chain of custody of all cannabis and cannabis-infused products.
- c) Cultivation centers shall establish, maintain, and comply with written policies and procedures as submitted in the Operations and Management Practices Plan, approved by the Department, for the production, manufacture, security, storage, inventory, and distribution of cannabis products. Such policies and procedures shall include methods for identifying, recording, and reporting diversion, theft or loss, and for correcting all errors and inaccuracies in inventories. Cultivation centers shall include in their written policies and procedures, a process for the following:
 - 1) Handling mandatory and voluntary recalls of cannabis or cannabis-infused products. Such procedure shall be adequate to deal with recalls due to any action initiated at the request of the Department and any voluntary action by the cultivation center to remove defective or potentially defective cannabis or cannabis-infused products from the market or any action undertaken to promote

public health and safety by replacing existing cannabis or cannabis-infused products with improved products or packaging;

- 2) Preparing for, protecting against, and handling any crises that affects the security or operation of any facility in the event of strike, fire, flood, or other natural disaster, or other situations of local, state, or national emergency;
- 3) Ensuring that any outdated, damaged, deteriorated, misbranded, or adulterated cannabis is segregated from other cannabis and destroyed. This procedure shall provide for written documentation of the cannabis disposition; and
- 4) Ensuring the oldest stock of a cannabis product is distributed first. The procedure may permit deviation from this requirement, if such deviation is temporary and appropriate.

Section 1000.415 Containment Management and Operations

- a) All cannabis in the process of manufacture, distribution, transfer, or analysis shall be stored in such a manner as to prevent diversion, theft or loss, shall be accessible only to the minimum number of specifically authorized personnel essential for efficient operation, and shall be returned to its secure location immediately after completion of the process or at the end of the scheduled business day. If a manufacturing process cannot be completed at the end of a working day, the processing area or tanks, vessels, bins, or bulk containers containing cannabis shall be securely locked inside an area that affords adequate security.
- b) No person, except cultivation center personnel, local law enforcement, the Department or the Department's authorized representative, Illinois Department of Public Health inspectors, or other federal, state of Illinois or local government officials where necessary to perform their governmental duties, shall be allowed on the premises of a cultivation center, except that:
 - 1) Laboratory staff may enter a cultivation center for the sole purpose of identifying and collecting cannabis samples for purposes of conducting laboratory tests;
 - 2) Emergency personnel may enter a cultivation center when necessary to perform their duties;
 - 3) Upon written notice to the Department, a cultivation center may allow contractors to enter a cultivation center when they are working on a job, unrelated to medical cannabis, such as installing or maintaining security devices or performing electrical wiring; and
 - 4) Upon prior written request, the Department or the Department's authorized representative may permit other persons to enter a cultivation center.
- c) All persons who are not cultivation center personnel, but who are permitted on the premises of a cultivation center pursuant to subsection (b) of this section, shall obtain a visitor identification badge from cultivation center personnel, prior to entering the cultivation center, and shall be escorted and monitored at all times by cultivation center personnel. The visitor identification badge shall be visibly displayed at all times while the visitor is in the cultivation center. All visitors, after presenting valid government issued identification with a picture shall be logged in and out, and that log shall include the date, time and purpose of the visit and shall be maintained and made available to the Department at any time, for a period of five years. All visitor identification badges shall be returned to the cultivation center personnel upon the visitor exiting the cultivation center.
- d) The use and/or possession of cell phones, cameras and any other audio or video recording device by any cultivation center agent, visitor, or any other individual shall be prohibited

inside the production area of a cultivation center.

Section 1000.420 Packaging and Labeling of Medical Cannabis and Cannabis-Infused Products

- a) Each Cannabis product produced for sale shall be registered with the Department on forms provided by the Department. Each product registration shall include a label and a registration fee as set forth in Section 1000.120. The registration fee is for the name of the product offered for sale and one fee shall be sufficient for all package sizes.
- b) All harvested cannabis intended for distribution to a dispensing organization must be packaged in a sealed, labeled medical cannabis container.
- c) Packaging of any product containing cannabis shall be child-resistant and light-resistant consistent with current standards including the Consumer Product Safety Commission standards referenced by the Poison Prevention Act.
- d) Each cannabis product shall be labeled by the cultivation center prior to sale to a dispensary and each such label shall be securely affixed to the package and state in legible English:
 - 1) The name and P.O. Box of the registered cultivation center where the item was manufactured;
 - 2) The common or usual name of the item and the registered name of the cannabis product that was registered with the Department pursuant to subsection (a) of this section;
 - 3) A unique serial number that will match the product with a producer batch and lot number so as to facilitate any warnings or recalls the Department or producer deems appropriate;
 - 4) The date of final testing and packaging, if sampled;
 - 5) The date of manufacture and “use by date”;
 - 6) The quantity (in ounces or grams) of cannabis contained therein;
 - 7) A pass/fail rating based on the laboratory’s microbiological, mycotoxins, and pesticide and solvent residue analysis, if sampled;
 - 8) A list of the following including the minimum and maximum percentage content by weight for items A through D:
 - A) tetrahydrocannabinol (THC);
 - B) tetrahydrocannabinol acid (THCA);

- C) cannabidiols (CBD);
- D) carboxylic acids (CBDA); and
- E) any other ingredient(s) besides cannabis.

The acceptable tolerance(s) for the minimum percentage printed on the label for any of the items A through D above shall not be below 85% or 115% above the said labeled amount.

- 9) A statement that the product is for medical use and not for resale or transfer to another person.
- e) Medical Cannabis-Infused Products. All items shall be individually wrapped at the original point of preparation. The packaging of the medical cannabis-infused product shall conform to the labeling requirements of the Illinois Food, Drug and Cosmetic Act and, in addition to the requirements set forth in Section 1000.110(d), shall include the following information on each product offered for sale or distribution:
- 1) all ingredients of the item, including any colors, artificial flavors, and preservatives, listed in descending order by predominance of weight shown with common or usual names;
 - 2) the following phrase: "This product was produced in a medical cannabis cultivation center not subject to public health inspection that may also process common food allergens.";
 - 3) allergen labeling as specified in the Federal Food, Drug and Cosmetics Act, Federal Fair Packaging and Labeling Act, and the Illinois Food, Drug and Cosmetic Act;
 - 4) the pre-mixed total weight (in ounces or grams) of usable cannabis in the package (the pre-mixed weight of medical cannabis used in making a cannabis-infused product shall apply toward the limit on the total amount of medical cannabis a registered qualifying patient may possess at any one time);
 - 5) a warning that the item is a medical cannabis-infused product and not a food must be distinctly and clearly legible on the front of the package;
 - 6) a clearly legible warning emphasizing that the product contains medical cannabis and is intended for consumption by registered qualifying patients only; and
 - 7) A list of the following ingredients including the minimum and maximum percentage content by weight for items A through D:

- A) tetrahydrocannabinol (THC);
- B) tetrahydrocannabinol acid (THCA);
- C) cannabidiols (CBD);
- D) carboxylic acids (CBDA); and
- E) any other ingredient(s) besides cannabis.

The acceptable tolerance(s) for the minimum percentage printed on the label for any of the items A through D above shall not be below 85% or 115% above the said labeled amount.

- 8) THC Content Container Restriction. Each individually packaged medical cannabis-infused product, even if comprised of multiple servings, may include no more than a total of 100 milligrams of active THC.
- f) The label shall not contain any of the following information:
 - 1) Any false or misleading statement or design; or
 - 2) Any seal, flag, crest, coat of arms, or other insignia likely to mislead the qualified patient to believe that the product has been endorsed, made, or used by the State of Illinois or any of its representatives.
 - g) A cultivation center agent shall not alter, obliterate, or destroy any label attached to a medical cannabis container.

Section 1000.425 Advertising

- a) Cultivation centers may not advertise through any public medium, including but not limited to newspapers, television, radio or any means designed to market its products to the public. Cultivation centers may market their products directly to registered dispensaries or physicians through direct mail, brochures or other means directed solely to the dispensaries and not available to the public.

Section 1000.430 Transportation of Cannabis and Cannabis-Infused Products

- a) Prior to transporting any cannabis or cannabis-infused product, a cultivation center shall:
 - 1) Complete a shipping manifest using a form prescribed by the Department; and
 - 2) Securely transmit a copy of the manifest to the dispensary facility that will receive the products and to the Department at least twenty-four (24) hours prior to transport. The manifest shall be made available to the ISP upon request.
- b) The cultivation center shall maintain all shipping manifests and make them available at the request of the Department.
- c) Cannabis products that are being transported shall:
 - 1) Only be transported in a locked, safe and secure storage compartment that is part of the vehicle transporting the cannabis; and
 - 2) Not be visible from outside the vehicle.
- e) Any vehicle transporting cannabis shall travel directly from the cultivation center to the dispensary facility and shall not make any stops in between except to other dispensary facilities, for refueling, or, in case of an emergency, in which case the agents will report the emergency immediately to law enforcement through the 911 emergency system and the cultivation center who will immediately notify the Department.
- f) A cultivation center shall ensure that all delivery times and routes are randomized.
- g) A cultivation center shall staff all transport vehicles with a minimum of two employees. At least one delivery team member shall remain with the vehicle at all times that the vehicle contains cannabis.
- h) Each delivery team member shall have access to a secure form of communication with personnel at the cultivation center and the ability to contact law enforcement through the 911 emergency system at all times that the vehicle contains cannabis.
- i) Each delivery team member shall possess his or her department issued identification card at all times when transporting or delivering cannabis and shall produce it to the Department or Department's authorized representative or law enforcement official upon request.

Section 1000.435 Inventory

- a) Each cultivation center, prior to commencing business, shall:
 - 1) Conduct an initial comprehensive inventory of all cannabis at the facility. If a cultivation center commences business with no cannabis on hand, the cultivation center shall record this fact as the initial inventory; and
 - 2) Establish ongoing inventory controls and procedures for the conduct of inventory reviews and comprehensive inventories of cannabis, which shall enable the facility to detect any diversion, theft or loss in a timely manner.
- b) Upon commencing business, each cultivation center shall conduct a weekly inventory of cannabis stock, which shall include, at a minimum:
 - 1) the date of the inventory;
 - 2) a summary of the inventory findings;
 - 3) the name, signature and title of the individuals who conducted the inventory; and
 - 4) the product name and quantity of cannabis plants or cannabis-infused products at the facility.
- c) The record of all medical cannabis sold or otherwise disposed of shall show:
 - 1) the date of sale;
 - 2) the name of the dispensary facility to which the medical cannabis was sold;
 - 3) the product name and quantity of cannabis sold; and
 - 4) if applicable, the date, quantity, and manner in which any cannabis was destroyed.
- d) A complete and accurate record of all plant stock or products of cannabis on hand shall be prepared annually on the anniversary of the initial inventory or such other date that the cultivation center agent- in- charge may choose, so long as it is not more than one year following the prior year's inventory.
- e) All inventories, procedures and other documents required by this section shall be maintained on the premises and made available to the Department at all times.
- f) Whenever any sample or record is removed by a person authorized to enforce the provisions of these rules, such person shall tender a receipt in lieu thereof and the receipt shall be kept for a period of five years.

Section 1000.440 Cultivation Center Security

- a) A cultivation center shall:
 - 1) Not produce, manufacture or maintain cannabis in excess of the quantity required for normal, efficient operation;
 - 2) Store all cannabis and cannabis-infused products in a safe, vault, or secured room and in such a manner as to prevent diversion, theft or loss;
 - 3) Maintain all cannabis that is not part of a finished product in a secure area or location within the production facility accessible only to specifically authorized personnel, which shall include only the minimum number of employees essential for efficient operation;
 - 4) Keep all approved safes, approved vaults, or any other approved equipment or areas used for the production, cultivation, harvesting, processing, manufacturing or storage of cannabis, securely locked or protected from entry, except for the actual time required to remove or replace cannabis;
 - 5) Keep all locks and security equipment in good working order;
 - 6) Not allow keys to be left in the locks and not store or place keys in a location accessible to persons other than specifically authorized personnel;
 - 7) Not allow other security measures, such as combination numbers, passwords or electronic or biometric security systems, to be accessible to persons other than specifically authorized personnel; and
 - 8) Keep the production facility securely locked and protected from unauthorized entry at all times.
- b) If a cultivation center presents special security issues, such as extremely large stock of cannabis, exposed handling, unusual vulnerability to diversion, theft or loss, the Department may require additional safeguards such as supervised watchman service.
- c) If a loss, theft, or diversion of cannabis has occurred from a cultivation center, the cultivation center shall notify the Department and the nearest ISP District immediately. The Department and ISP shall determine the appropriate storage and security requirements for all cannabis in such cultivation center, and may require additional safeguards to ensure the security of the cannabis. If a reduction in the amount of medical cannabis in the cultivation center's inventory is due to suspected criminal activity, the cultivation center shall immediately report the reduction to the Department and ISP, who may then notify local law enforcement.

- d) Any cultivation center whose permit is revoked or not renewed shall dispose of its entire stock of cannabis under conditions approved by the Department.
- e) No person shall be allowed access to any area within a cultivation center containing cannabis except laboratory employees and cultivation center personnel whose responsibilities necessitate access to the area of the cultivation center containing cannabis and then for only as long as necessary to perform their job duties.
- f) Any area of a cultivation center containing cannabis, including a room with an approved safe or approved vault, shall have a sign posted at all entry ways, which shall be a minimum of twelve inches in height and twelve inches in length and shall state: “Do Not Enter - Limited Access Area – Access Limited to Authorized Personnel Only” in lettering no smaller than one inch in height.
- g) Notwithstanding the requirements of this subsection, nothing shall prohibit members of the Department, local law enforcement or other federal, State of Illinois or local government officials from entering any area of a production facility if necessary to perform their governmental duties, or persons allowed by the Department pursuant to Section 1000.100(b).
- h) Cultivation centers shall provide current copies of cultivation center floor plans to the ISP and local law enforcement that have jurisdiction in the area where the cultivation center is located.

Section 1000.445 Electronic Security System

- a) A cultivation center shall be required to operate and maintain in good working order a twenty-four (24) hour, seven (7) days a week, closed-circuit television (CCTV) surveillance system on the premises that complies with the following minimum standards:
 - 1) Visually records and monitors all building entrances and exits, all parking lot areas, rear alley areas immediately adjacent to the building, and covers the entire inside of the facility, including all limited access areas, and including all areas where cannabis is cultivated, stored, shipped, or destroyed. Fixed cameras shall be installed to provide a consistent recorded image of these areas. The cultivation center shall instruct the company or individuals installing the surveillance cameras to maximize the quality of facial and body images and to avoid backlighting and physical obstructions;
 - 2) Cameras installed outdoors and in low-light interior areas shall be day/night cameras with a minimum resolution of six hundred (600) lines per inch (analog) or D1 (IP) and a minimum light factor requirement of seven tenths (0.7) LUX. The installation of additional lighting may be required to increase picture clarity and brightness. Cameras shall be calibrated and focused to maximize the quality of the recorded image;
 - 3) The recording device shall be a digital video recorder that meets the following minimum standards:
 - A) Displays a date and time stamp on all recorded video; and
 - B) Can produce a video disc (CD/DVD) directly from the DVR unit using an installed media recording drive. The video on the disc shall be viewable on any Windows PC, and include any required player software on the disc.
 - 4) A display monitor with a minimum screen size of twelve inches (12 in.) shall be connected to the electronic recording security system at all times;
 - 5) Electronic recording security systems are required to be maintained in good working order at all times. The owner of a cultivation center shall instruct each manager, employee, or agent overseeing the functioning of the video recording security system to immediately report any malfunctioning or technical problems with the system;
 - 6) Security recordings shall meet the following minimum requirements:
 - A) The recorded image resolution shall be at least D1; and

- B) The recorded image frame rate shall be at least three (3) frames per second during alarm or motion based recording.
- 7) Security recordings shall be retained by the cultivation center for a minimum of ninety (90) days at the permitted premises and an additional ninety (90) days off site (i.e. cloud storage). The recording system for the security cameras must be located in a locked, tamper-proof compartment. A cultivation center shall be prohibited from taping over existing security video from the last sixty (60) days; and
- 8) Upon request, the recording shall be turned over to ISP or the Department.
- b) Access to surveillance areas shall be limited to persons that are essential to surveillance operations, law enforcement agencies, security system service personnel, the Department, and others when approved by the Department. A current list of authorized employees and service personnel that have access to the surveillance room must be available to the Department upon request. Surveillance rooms shall remain locked.
- c) The electronic security system shall be available 24 hours per day, and 7 days per week to the Department and law enforcement agencies via a secure web-based portal.

Section 1000.450 Alarm System

- a) A cultivation center shall install, maintain, and use a professionally monitored robbery and burglary alarm system, which shall meet the following requirements:
 - 1) At a minimum, the system shall provide coverage of all facility entrances and exits, rooms with exterior windows, rooms with exterior walls, roof hatches, skylights, and storage room(s) that contain safe(s);
 - 2) Duress Alarm, which means a silent Security Alarm System signal generated by the entry of a designated code into an Arming Station in order to signal that the Alarm User is being forced to turn off the system;
 - 3) Panic Alarm, which means an audible Security Alarm System signal generated by the manual activation of a device intended to signal a life threatening or emergency situation requiring law enforcement response;
 - 4) Holdup Alarm, which means a silent alarm signal generated by the manual activation of a device intended to signal a robbery in progress;
 - 5) Automatic Voice Dialer, which means any electrical, electronic, mechanical, or other device capable of being programmed to send a prerecorded voice message, when activated, over a telephone line, radio or other communication system, to a law enforcement, public safety or emergency services agency requesting dispatch;
 - 6) A failure notification system that provides an audible, text or visual notification of any failure in the surveillance system. The failure notification system shall provide an alert to the cultivation center within 5 minutes of the failure, either by telephone, email, or text message.
 - 7) The system shall be inspected and all devices tested annually by a qualified alarm vendor.

Section 1000.455 Hours of Operation

- a) A cultivation center shall not be open to the public.
- b) A cultivation center may operate its business twenty-four (24) hours a day.
- c) A cultivation center may deliver to licensed medical cannabis dispensaries on any day and at any time except between the hours of 9:00 p.m. and 7:00 a.m.
- d) A cultivation center shall only allow a registered director, officer, member, incorporator, agent, manager, employee, or government or law enforcement official on the permitted premises, unless special circumstances warrant entry pursuant to Section 1000.100(b) of these rules.
- e) The Department may further limit the hours of operation for a cultivation center on a case-by-case basis as the result of the cultivation center's failure to comply with the Act or these rules or for any other reason that the Department deems such limit to be necessary.

Section 1000.460 Waste Disposal

- a) Cannabis Waste must be stored, secured, locked, and managed in accordance with State regulations and as submitted and approved in the cultivation center's Operations and Management Practices Plan.
- b) Liquid Waste. Liquid waste from a cultivation center shall be disposed of in compliance with The Illinois Environmental Protection Act [415 ILCS 5] and associated administrative rules.
- c) Hazardous Waste. Disposal of hazardous and chemical waste must be conducted in a manner consistent with federal, state and local laws.
- d) Cannabis waste must be rendered unusable following the methods set forth in this Section prior to leaving a cultivation center. Disposal of the cannabis waste rendered unusable must follow the methods under this Section.
- e) A cultivation center must provide the Department and ISP a minimum of 7-days' notice in the traceability system described in these rules prior to rendering the product unusable and disposing of it.
- f) The allowable method to render cannabis plant waste unusable is by grinding and incorporating the cannabis plant waste with other ground materials so the resulting mixture is at least fifty percent non-cannabis waste by volume. Other methods to render cannabis waste unusable must be approved by the Department before implementation. Material used to grind with the cannabis falls into two categories: Compostable waste and noncompostable waste.
 - 1) Compostable mixed waste: cannabis waste to be disposed as compost feedstock or in another organic waste method (for example, anaerobic digester) may be mixed with the following types of waste materials:
 - B) Food waste;
 - C) Yard waste;
 - D) Vegetable based grease or oils; or
 - E) Other wastes as approved by the Department.
 - 2) Noncompostable mixed waste: Cannabis waste to be disposed in a landfill or another disposal method (for example, incinerator) may be mixed with the following types of waste materials:
 - A) Paper waste;

- B) Cardboard waste;
 - C) Plastic waste;
 - D) Soil; or
 - E) Other wastes as approved by the Department.
- g) Cannabis waste rendered unusable following the methods described in this section may be disposed of in the following manner. Disposal of the Cannabis waste rendered unusable may be delivered to a permitted solid waste facility for final disposition. Examples of acceptable permitted solid waste facilities include:
- 1) Compostable mixed waste: Compost, anaerobic digester, or other facility with approval of the jurisdictional health department.
 - 2) Noncompostable mixed waste: Landfill, incinerator, or other facility with approval of the jurisdictional health department.
- h) All waste and unusable product shall be weighed, recorded and entered into the inventory system prior to mixing and disposal. Verification of this event shall be performed by a supervisor and conducted in an area with video surveillance.

Section 1000.465 Connections to the Potable Water Supply

- a) General: Potable water supply lines shall not be connected to process water lines, chemical lines or equipment, unless proper backflow protection is installed.
- b) Water service lines which connect a cultivation center to a community public water supply shall include either a reduced pressure principle backflow preventer or a fixed proper air gap, in accordance with the Illinois Environmental Protection Agency Technical Policy Statement (35 Ill. Adm. Code 653.803 (c) (4)).
- c) Water service lines which connect a cultivation center to a potable water supply other than a community public water supply shall include either a reduced pressure principle backflow preventer or a fixed proper air gap, in accordance with the Illinois Plumbing Code (77 Ill. Adm. Code 890).
- d) Installation, maintenance and inspection of such backflow prevention devices shall be carried out in accordance with Illinois Environmental Protection Agency Technical Policy Statement (35 Ill. Adm. Code 651 and 653) or the Illinois Plumbing Code (77 Ill. Adm. Code 890), whichever is applicable.

SUBPART F: LABORATORY TESTING

Section 1000.500 Laboratory approval

- a) No laboratory shall be approved to handle, test or analyze cannabis unless such laboratory:
 - 1) Is registered as a controlled substance laboratory;
 - 2) Is independent from all other persons involved in the cannabis industry in Illinois, which shall mean that no person with a direct or indirect interest in the laboratory shall have a direct or indirect financial interest in a dispensary, dispensary facility, cultivation center, certifying physician or any other entity that may benefit from the production, manufacture, dispensing, sale, purchase or use of cannabis; and
 - 3) Has employed at least one person to oversee and be responsible for the laboratory testing who has earned, from a college or university accredited by a national or regional certifying authority, at least:
 - A) a master's level degree in chemical or biological sciences and a minimum of two (2) years post-degree laboratory experience; OR
 - B) a bachelor's degree in biological sciences and a minimum of four (4) years post-degree laboratory experience.

Section 1000.505 Laboratory Testing

- a) Immediately prior to manufacturing any cannabis or cannabis-infused product or packaging cannabis for sale to a dispensary, all harvested cannabis shall be segregated into homogenized batches.
- b) Each such batch shall be made available at the cultivation center for a laboratory employee to select a random sample, which sample shall be tested by the laboratory for:
 - 1) microbiological contaminants;
 - 2) mycotoxins;
 - 3) pesticide chemical and solvent residue;
 - 4) purposes of conducting an active ingredient analysis.
- c) From the time that a batch of cannabis has been homogenized for sample testing and eventual packaging and sale to a dispensary facility, until the laboratory provides the results from its tests and analysis, the entire batch of cannabis, except the samples that have been removed by the laboratory for testing, shall be segregated and withheld from use. During this period of segregation, the cannabis batch shall be maintained in a secure, cool and dry location so as to prevent the cannabis from becoming contaminated or losing its efficacy.
- d) Under no circumstances shall cannabis be included in a cannabis-infused product or sold to a dispensary facility prior to the time that the laboratory has completed its testing and analysis and provided those results, in writing, to the cultivation center or other designated production facility personnel.
- e) A laboratory shall immediately return or dispose of any cannabis upon the completion of any testing, use, or research. If cannabis is disposed of, it shall be done in compliance with Section 1000.150.
- f) If a sample of cannabis does not pass the microbiological, mycotoxin, pesticide chemical residue test or solvent residue test, based on the standards set forth below, the entire batch from which the sample was taken shall be disposed of in accordance with Section 1000.150.
- g) **Microbiological Test:** For purposes of the microbiological test, a cannabis sample shall be deemed to have passed if it satisfies the standards set out in Section 1111 of the United States Pharmacopeia.
- h) **Mycotoxin Test:** For purposes of the mycotoxin test, a cannabis sample shall be deemed to have passed if it meets the following standards:

<u>Test</u>	<u>Specification</u>
Aflatoxin B1	<20 uG/KG of Substance
Aflatoxin B2	<20 uG/KG of Substance
Aflatoxin O1	<20 uG/KG of Substance
Aflatoxin O2	<20 uG/KG of Substance
Ochratoxin A	<20 uG/KG of Substance

- i) **Pesticide chemical residue test or solvent residue test:** For purposes of the pesticide chemical residue test or solvent residue test, a cannabis sample shall be deemed to have passed if it satisfies the most stringent acceptable standard for a pesticide chemical residue in any food item as set forth in Subpart C of the Environmental Protection Agency's regulations for Tolerances and Exemptions for Pesticide Chemical Residues in Food, 40 CFR 180.
- j) If a sample of cannabis passes the microbiological, mycotoxin, and pesticide chemical residue test, the entire batch shall be released for immediate manufacturing, packaging and labeling for sale to a dispensary facility.
- k) The laboratory shall file with the Department an electronic copy of each laboratory test result for any batch that does not pass the microbiological, mycotoxin, or pesticide chemical residue test, at the same time that it transmits those results to the cultivation center. In addition, the laboratory shall maintain the laboratory test results for at least five years and make them available at the Department's request.
- l) A cultivation center shall provide to a dispensary facility the laboratory test results for each batch of cannabis used in a product purchased by the dispensary facility, if sampled. Each dispensary facility shall have such laboratory results available upon request to qualifying patients, primary caregivers and a physician who has certified a qualifying patient.

SUBPART G: CULTIVATION CENTER CLOSURE

Section 1000.600 Closure of a Cultivation Center

The cultivation center shall notify the Department and ISP if the cultivation center will be closing or if the cultivation center does not intend to renew its permit immediately after such decision has been made, prior to any product destruction or removal and, in no event less than six months prior to the effective date of such a decision.

SUBPART H: ENFORCEMENT

Section 1000.700 Administrative hearings and penalties

- a) Any hearing conducted by the Department pursuant to the Act shall be conducted in accordance with the Department's rules applicable to formal administrative proceedings, 8 Ill. Adm. Code Part 1, Subparts A and B.
- b) The Department or its designee may conduct an investigation for the purpose of investigating an applicant or application, a cultivation center, cultivation center agent, agent-in-charge or any other party for an alleged violation of the Act or these rules or to determine qualifications to be granted a permit or registration by the Department.
- c) The Department may require an applicant, cultivation center, or cultivation center agent or agent-in-charge to produce relevant documents, records or any other material pertinent to the investigation of alleged violations of the Act or these rules. Failure to provide such material shall be grounds for disciplinary action.
- d) Notwithstanding any other criminal penalties related to the unlawful possession of cannabis, the Department may revoke, suspend, place on probation, reprimand, issue cease and desist orders, refuse to issue or renew a registration, or take any other disciplinary or non-disciplinary action as the Department may deem proper with regard to a permitted cultivation center or cultivation center agent or agent-in-charge.
- e) The Department may impose fines not to exceed \$50,000 for each violation, for any violations of the Act or these rules.
- f) Violation of any provision of the Act, these rules or failure to comply with any standard or special conditions of the issued permit may result in a notice of intent to suspend or revoke a cultivation center permit or the registration of a cultivation center agent or agent-in-charge.
- g) The Department shall, before refusing to issue or renew a permit or agent registration or seeking to discipline a permittee or cultivation center agent or agent-in-charge under the Act or these rules, at least 30 days before the date set for the hearing, notify in writing the applicant, cultivation center, or cultivation center agent, or agent-in-charge of the charges made and the time and place for the hearing on the charges. Such written notice may be served by delivery of the same personally to the accused, or by mailing the same by registered or certified mail to the cultivation center's physical address.
- h) At any point in any investigation or disciplinary proceeding provided for in the Act and this Section, both parties may agree to a negotiated consent order. The consent order shall be final upon signature of both parties.
- i) The Department may temporarily suspend a permittee or cultivation center agent or

agent-in-charge without a hearing, simultaneously with the institution of proceedings for a hearing, if the Department finds that the public interest, safety, or welfare requires such emergency action. In the event that the Department temporarily suspends a permittee or agent without a hearing, a hearing shall be held within 30 days after the suspension has occurred. The suspended party may seek a continuance of the hearing, during which time the suspension shall remain in effect. The proceeding shall be concluded without appreciable delay. If the Department does not hold a hearing within 30 days after the date of the suspension, and the permittee or agent has not requested a continuance, then the permit shall be automatically reinstated.

- j) In appropriate cases, the Department may resolve a complaint against a permittee or agent through the issuance of a Consent to Administrative Supervision order. A permittee or agent subject to a Consent to Administrative Supervision order shall be considered by the Department as an active permittee or agent in good standing. This order shall not be reported or considered by the Department to be a discipline of the permittee or agent. The records regarding an investigation and a Consent to Administrative Supervision order shall be considered confidential and shall not be released by the Department except as mandated by law. A complainant shall be notified if his or her complaint has been resolved by a Consent to Administrative Supervision order.
- k) The respondent in any contested case may request reconsideration of any part or all of the decision of the administrative law judge on any petition or may request the Director to stay the effective date of any administrative action for a specific period or for an indefinite period. A petition for reconsideration or stay of action shall be submitted within 30 days after the date of the administrative law judge's decision on the case. A petition for reconsideration or stay of action submitted later than 30 days after the date of the decision involved shall be denied as untimely.
- l) All final administrative decisions of the Department of Agriculture are subject to judicial review under the Administrative Review Law and its rules. The term "administrative decision" is defined as in Section 3-101 of the Code of Civil Procedure.
- m) Immediately upon the suspension, revocation, or re-instatement of a permit, the Department shall make written notification to the Department of State Police, Department of Professional Regulations, and Department of Revenue of the status of the permit. If the suspension or revocation involves suspected criminal activity, the Department shall make available to the Department of State Police all documents or electronic communications involving the suspected criminal activity. If suspected criminal activity is discovered by the Department of State Police, notification will be made to the Department of Agriculture.
- n) If any final Department action is appealed in Circuit Court pursuant to this Section, the record on review shall include the following:
 - 1) The application or petition submitted;

- 2) Any written documentation considered by the Department in making its final decision with respect to the application or petition;
- 3) Any written correspondence between the Department and the person or entity submitting the application or petition, provided that the correspondence either played a material role in the final decision rendered by the Department; made a material argument to the Department with respect to the application or petition; or would be helpful to the Circuit Court in reviewing the matter because the correspondence provides helpful procedural background.
- 4) The transcript of any administrative hearing and any documents or other evidence submitted at the hearing.